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BAD NEWS FOR THE AXIS

By the President

We ordinarily do not release production figures because they might give aid and comfort to the enemy. I am going to give today just a few which are definitely going to give the Axis just the opposite of “aid and comfort.”

We are well on our way towards achieving the rate of production which will bring us to our goals.

In May, we produced nearly 4,000 planes and over 1,500 tanks. We also produced nearly 2,000 artillery and anti-tank guns. This is exclusive of anti-aircraft guns and guns to be mounted in tanks.

And here is a figure which the Axis will not be very happy to hear—in that one month alone we produced over 50,000 machine guns of all types—including infantry, aircraft and anti-aircraft. That does not include sub-machine guns. If we add those in, the total is well over 100,000. All these figures are only for one single month.

While these figures give you some idea of our production accomplishments: this is no time for the American people to get overconfident. We can't rest on our oars. We need more and more, and we will make more and more. And we must also remember that there are plenty of serious production problems ahead—particularly some serious shortages in raw materials, which are receiving the closest consideration of the Government and industry.

June 25, 1942
News from the Mixed and, with assistance on Russia, good. In America, very good.

The best news was the release of some war surplus, the president of no aid and comfort. He revealed that in early 4,000 planes, more than 100,000 guns.

To his big news, an emphatic war confidence and a care production. He also remember that thus shortages ahead.

A hint of one word is being increased in the War Product, 83% percent. Production Drive, Cleveland (Ohio) May alone the hint.

The week:

- Orders extending the services in connection with rent control to 60 Administrator Hen.
- Ration plan changes:
  - June 30, 1942, relaxed to permit more drilling for gas.
  - June 30, 1942, more tires for war workers.
- Agriculture setting new record for production of certain vegetables.
- Civilian of certain vegetables.
- Gas ration plan changes.

Controls strengthen each other

Supporting the new program and gaining support from it, is the rent control program. As rapidly as it becomes necessary, areas in which war production flourishes are being put under rent control. In rents, the March maximum is not always the ceiling figure. Some rents have been rolled back to levels in 1941.

In extending the control areas, Mr. Henderson has brought Federal protection against rising rents to regions in which 39,000,000 Americans live—one quarter of the nation.

The OPA believes that the price ceiling and the rent ceilings are effective barriers against runaway inflation in America.

At this writing, the exact amount of rubber salvaged by the gas stations and other agencies has not been totalled. The amount obtained, however, was less than expected.

One flash of fireworks in the battle for salvage: Paul C. Cabot, deputy chief of the Bureau of Industrial Conservation, WPB, wrote a long, long letter to Philip Murray, President of the CIO, recounting the bureau's successes in salvaging scrap metal. His point: "The statement ... in which you are quoted as having said the Government's failure to gather scrap was 'almost criminal' would appear to be unwarranted."

Of burs and beef and beeswax

The WPB stopped the production of nonmilitary truck trailers; limited the use of elastic fabric to essential health and military uses; limited the types and sizes of dental burs; and froze all large stocks of canned corn beef to make them available for the Army. The board's other orders during the week were largely taking bugs out of earlier restrictions.

Civilian quotas of certain dyes were increased; the use of already manufactured zippers was permitted, and orders were relaxed to permit more drilling for gas to certain areas and to permit the making of more beehives and farm pack machinery.

Gas ration plan changes

The OPA reduced by 14 percent the amount of cocoa beans that may be processed in the next 3 months and reduced by 10 percent the civilian apricot pack. On the other hand, it increased the quota of cloves by from one-third to one-half.

It was a busy week for the OPA. In addition to orders on rents, the OPA changed the date for the new gas rationing plan in the east. From July 15 to July 22. Registration dates were changed from July 1, 2 and 3 to July 9, 10 and 11.

The OPA demonstrated that gas rationing rules have teeth when it suspended deliveries to 14 filling stations in New York, Newark and Philadelphia for selling gasoline to persons without a ration card.

More tires for war workers

The OPA issued several score orders ironing out inequalities in the price control picture, announced it would set ceiling prices on tires, arranged to get more tires for war workers and still found time to urge the use of a new sand-blast method of rehabilitating typewriter rollers instead of replacing the rollers.

War Manpower Commissioner McNutt issued eight directives to the U. S. Employment Service, the WPB, the Director of Selective Service and the Secretary of Agriculture, setting up the machinery by which men will be found for war jobs and cared for on the job. The Commissioner also established a Negro Manpower Service to broaden the opportunities for Negroes to help in war work.

** **

WAR EFFORT'S PROGRESS

TOLD VISUALLY

The charts appearing every week on the front cover of Victory tell the story of America's battle as it is fought here at home. One-column mats are available for publication by newspapers and others who may desire them. Requests should be sent to Distribution Section, Division of Information, OEM, Washington, D. C.
We launched our attack on the high cost of living— inflation to the economists—in three waves. On May 11 we clamped a ceiling on the prices of almost everything we eat, wear, and use at the manufacturing and wholesale levels. On May 18 we extended this ceiling to cover commodity prices at the retail level. This week we stretched it over the prices of most consumer services. In less than two months, then, we have set our economic house in order—won the first battle in our fight to avert economic chaos.

$5,000,000,000 a year for consumer services

Price control of consumer services is important to everybody. The American people spend upwards of $5,000,000,000 a year in nearly 1,000,000 shops and stores on such services and the fact that they are being brought under control will go a long way toward stabilizing the budgets of 33,000,000 American families.

"Consumer service" is a fancy term for something which is a part of our daily living. Every time you have your shoes shined or your suit pressed or your watch fixed you are buying a consumer service. When you put your automobile into the parking lot or send your clothes to the laundry or have a roll of film developed you are getting a consumer service. There are a thousand-and-one consumer services which add to our enjoyment of life—and tap our pocket books.

Fewer new goods, more repairs

Under the terms of the Office of Price Administration's order, tradesmen cannot charge more for most consumer services than in the month of March. It's important to remember, however, that price control extends only to service rendered in connection with a commodity. That exempts work done by dentists, for example, or barbers or hairdressers—but it includes services rendered in connection with a commodity. That exempts work done by dentists, for example, or barbers or hairdressers—but it includes services rendered by the undertaker.

One of the most important types of service covered by the ceiling are repair services. As time goes on and new consumer goods vanish from the shelves we are going to call on the repair man at more frequent intervals. We will then be grateful that the cost of repairing automobiles, electrical appliances, furniture, luggage, and a host of other things has been stabilized.

The mobilization of manpower for maximum service at the front, in the factory, and on the farm is going to occupy our attention for many months to come. The War Manpower Commission already has taken some big strides toward the goal and took additional steps last week. Commission Chairman Paul V. McNutt issued eight directives to the

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U.S. Employment Service, the War Production Board, the Selective Service System, and the Department of Agriculture designed to "promote effective mobilization and utilization of the Nation's manpower." These agencies were allotted a specific task in the program to make certain that healthy young men without special skills go into the fighting forces, that the skilled mechanic of middle years stays at his lathe and that trained farm workers remain in the fields. A Democracy engaged in total war cannot tolerate misfits, malingerers or madcaps on any front.

Many skilled workers unemployed

Mr. McNutt attacked another manpower problem last week—that of the temporary unemployment of skilled and semiskilled workers caused by the shutting down of nonessential civilian industries. He conferred with Governor Lehman of New York, Mayor LaGuardia of New York City and Donald M. Nelson, chairman of WPB, over the situation in New York City, where nearly 400,000 men, many of them highly skilled, are idle at the very time when we need the highest production in our history. Much of this unemployment is due to the shutdown of nonessential civilian industry—but men—and plants, too—must be converted to the work of war.

Training program for Negroes

The vital stake of America's 13,000,000 Negroes in the fight for freedom has been emphasized by creation of a Negro Manpower Service within the War Manpower Commission. Under the direction of Dr. Robert C. Weaver, an expert on Negro employment, the Service will carry out a program of training and placement of colored workers. The unhappy race discriminations of peacetime are fast disappearing.

Campaign launched to save trucks

Transportation must not be a bottleneck if men and materials are to move to far-flung fronts in sufficient quantities to defeat the Axis. Highly-trained soldiers waiting in cantonments, finished weapons piling up on steamship docks, are of no value on the battlefield. The Office of Defense Transportation has opened a new offensive on the transportation front with the formation of a "U.S. Truck Conservation Corps." This corps will enlist the owners and drivers of our 5,000,000 motortrucks and thousands of others who service and supply them in a Nation-wide campaign to save their machines and their tires. The President opened the offensive, saying that "it has become the patriotic duty of every truck operator in America to help in every possible way to make his truck and tires last longer." Our trucks, like our passenger cars, and our trains, must last for the duration.

Enemy-owned patents seized

Automobile salvageyards yielded more than 383,253 tons of scrap metal in May, 10 percent more than in April and 100 percent more than the monthly rate in 1941 . . . Last summer's aluminum collection drive resulted in the recovery of 6,398,051 pounds, only 42½ percent of the amount expected . . . Several million additional pounds of honey have been made available as a substitute for sugar in bakery goods, ice cream, candy and soft drinks . . . And beekeepers have been encouraged to produce more honey by a WPB order increasing the output of wooden beehives.

Your landlord has not been prohibited from repainting or redecorating your apartment if it constitutes normal "maintenance or repair" . . . Enemy-owned patents seized by the U.S. Alien Property Custodian cover a wide variety of machines and processes—among one group of more than 750 seized last week were patents for coal mine conveyors, automatic drills for use in airplane construction, oil refining processes, and chemical compounds . . . the patents were owned by German, Italian, Japanese, and Hungarian corporations and individuals . . . WPB has amended its regulations to expedite the piping of gas, water and electricity to thousands of war housing units . . .

June 30, 1942

★ VICTORY ★

On the Home Front

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MANPOWER...

U. S. agencies concerned with various aspects of manpower given specific tasks in 8 directives issued by McNutt

War Manpower Commissioner Paul V. McNutt June 25 issued eight directives to "promote effective mobilization and utilization of the Nation's manpower."

To channel manpower where needed

The directives are addressed to Federal agencies concerned with various aspects of manpower, including the WAR Production Board, the Selective Service System, and the U. S. Employment Service. Collectively, these directives constitute a program to coordinate information regarding manpower supply and to channel available manpower where it is needed—in war industry and in agriculture.

Employment Service has primary role

Four of the directives are addressed to the U. S. Employment Service, making clear the primary role which that agency is to play in all-out mobilization at the home-front.

The employment service is directed to prepare and maintain lists of essential activities and occupations, as well as lists of occupations in which shortages exist. It is directed to analyze and classify occupational questionnaires distributed by the Selective Service System, to interview individuals with skills in critical war occupations, and to refer such individuals to job openings in war production. The U. S. Employment Service is further instructed to alleviate critical war production shortages by making preferential referrals of workers to war industry employers in order of priority, and to enlarge its activities so as to insure an adequate supply of agricultural workers.

Data on job priorities from WPB

The plan by which a system of job priorities is established will be buttressed by information supplied by the WAR Production Board. The board is charged, in Mr. McNutt's directive to it, with the task of furnishing the War Manpower Commission "current information with respect to the relative importance, in connection with the maintenance and effectuation of the national war supply program, of filling job openings in plants, factories or other facilities . . . ."  ★

Selective Service to collaborate

WPB, in securing this information, may seek the aid of the War and Navy departments, the Maritime Commission, the Department of Agriculture, the Army and Navy Munitions Board, "and such other departments and agencies as it may deem appropriate."

The directive to the Director of Selective Service calls for "close collaboration" between the Selective Service System and the U. S. Employment Service to the end that persons engaged in essential war activities are temporarily deferred from military training and service and that individuals not now engaged in essential activities, but who are qualified for such occupations, be afforded "reasonable opportunity" to become so engaged.

Housing of transient farm workers

Two of the directives, addressed to the Secretary of Agriculture and to "certain Government agencies" respectively, concern the housing and transportation of the additional transient agricultural workers essential to this summer's "Food for Victory" harvest.

The Secretary of Agriculture is instructed to gather information regarding housing facilities in areas which will require non-local agricultural workers and to make certain that additional labor camp facilities are established where necessary.

Transportation needs coordinated

The transportation directive calls on the U. S. Employment Service, the Department of Agriculture and "any other department or agency having information concerning workers transferring to, moving between or engaged in essential activities" to transmit information regarding transportation needs to the Office of Defense Transportation. Under the Executive order by which it was established, the ODT is responsible for assuring adequate transportation facilities for war workers.

Other provisions

The directive to the U. S. Employment Service establishing priorities in recruitment of war industry workers and that dealing with recruitment of transient agricultural workers both safeguard the workers' interests from the point of view of wages and working conditions.

The "Placement Priorities Directive" provides that the employment service may except from the priority provision an employing establishment in which "wages and conditions of work are not at least as advantageous to a worker referred to a job opening therein as those prevailing for similar establishments in the industrial area." And the "Directive to Expedite the Recruitment and Placement of Essential Agricultural Workers" provides that the service shall not recruit agricultural workers for "any agricultural employment in which the wages or conditions of work are less advantageous to the worker than those prevailing for similar work in the locality."

Weaver named director of new Negro manpower division

Chairman Paul V. McNutt June 20 announced establishment within the WAR Manpower Commission of a Negro manpower Service to work for the full utilization of Negroes in the training and employment phases of the war production program. Dr. Robert C. Weaver has been appointed director of the new division which will operate under Arthur J. Altmeier, executive director of the WAR Manpower Commission.

Second Arkansas site selected for Japanese evacuees

Nearly 8,000 acres of potentially productive Mississippi Delta land in Chicot and Drew Counties, Arkansas, near Jerome will be cleared and brought under cultivation by Japanese evacuees from the Pacific Coast military zone, the War Relocation Authority announced June 26.

Ninth in national program

The new Delta relocation site is the second war-duration work center for West Coast evacuees to be selected in Arkansas and the ninth in the national relocation program. Others are situated in the eastern part of California and in Arizona, Idaho, Wyoming, and Colorado.
May machine tool production up 80 percent over 1941

The value of new machine tools, presses, and other metal-working machinery shipped during May was $118,500,000, 80 percent more than the same month last year, it was announced June 26 by the War Production Board.

Price cut on aluminum products postponed to August 1

Reductions in prices of fabricated aluminum products previously scheduled by the OPA to take effect July 1, have been postponed until August 1, Price Administrator Henderson announced June 26.

Training of war workers pushed by joint committees, says McNutt

Joint management-labor committees are operating effectively to push the training programs for essential war production workers, Paul V. McNutt, Chairman of the War Manpower Commission, said June 29 in reviewing apprenticeship training results during the past 6 months.

"Joint committees, particularly apprenticeship committees, which represent management and labor have been most effective in shaping policies for general training programs to be conducted in the plants," Mr. McNutt pointed out.

A 6 months’ progress report of the apprenticeship section submitted to Mr. McNutt as a result of the recent transfer to the Federal Security Agency from the Department of Labor, reported the training of more than 500,000 war workers, which helped solve 97,000 in-plant training problems in war industries.

Mr. McNutt urged immediate expansion of in-plant training programs. "Increased production is paramount now," he said. "All-round workers are needed not only for supervisors and foremen for the tremendously expanded labor supply in war production plants, but they are needed, too, as lead, set-up and quartermen and for installation, maintenance and repair work . . . ."

Colorado steel firm granted relief on Lend-Lease shipments

Colorado Fuel and Iron Corporation, of Denver, Colo., has been granted permission to pass on to the buyer a larger share of heavy freight costs on shipments of iron and steel products to the Eastern seaboard for the account of the Lend-Lease Administration, Price Administrator Henderson announced June 26.

Such shipments, the Administrator explained, go far beyond this company’s usual market area.

In Order No. 14 under Revised Price Schedule No. 6 on iron and steel products, effective June 30, 1942, Colorado Fuel and Iron is permitted on sales for Lend-Lease account to charge maximum Chicago basing point prices, freight on board, Minnequa, Colorado.

Order No. 14 extends to Lend-Lease shipments of all types of products by the company the same transportation cost relief granted it last month on a Lend-Lease shipment to the Eastern seaboard of 300 gross tons of galvanized steel fencing wire.
LABOR . . .

Steel Workers' demand for dollar-a-day increase, union security analyzed as Board gets "Little Steel" fact-finding report

William H. Davis, chairman of the National War Labor Board, June 30, made public the report of the Board's fact-finding panel in the wage and union security dispute between four "Little Steel" companies and the United Steelworkers of America, CIO. A public hearing before the full board is scheduled for this week.

The fact-finding panel, which is composed of Arthur S. Meyer, chairman of the New York State Board of Mediation, representing the public; Cyrus S. Ching, vice president of the U. S. Rubber Co., representing employers; and Richard T. Frankenstein, director of Aircraft Organization, United Automobile Workers of America, CIO, representing labor, and assisted by Sidney A. Wolf, New York attorney, submitted its report to the Board after four and one-half months of hearings and study. The panel has condensed over 2,500 pages of testimony and hundreds of exhibits, including scores of complicated economic and financial charts, down to a report of 67 pages.

The panel was not asked to make recommendations to the Board but "to define and investigate the issues in dispute between the parties" and to "submit to the Board its findings of fact."

The dispute concerns the union's demands for a wage increase of $1 a day, union security and check-off, and, in the case of the Republic Steel Corporation and the Bethlehem Steel Company, a demand for a minimum wage guarantee. The other two companies are the Youngstown Sheet and Tube Company and the Inland Steel Company. The union represents 157,000 employees of the four companies.

HIGHLIGHTS OF FINDINGS

If any wage increase is granted by the Board in this case, it will be made retroactive to the date of certification of the case, in accordance with an interim order of the Board issued April 24. The cases were certified at different dates, between February 6 and 10.

Briefly summarized, the highlights of the panel's findings are as follows:

1. "The panel finds that all four companies are able to pay the requested wage increase of 81 a day."
2. "Profit taxes represent the Government's opinion of the extent to which the Government should share in the net profits of business if all other expenses including labor costs, have been deducted. To propose that wages should be affected by profit taxes, is to propose that labor's return should be conditioned by the Government's imprint on industry."

The companies' earnings before Federal profit taxes are ample and represent the proper criterion of ability to pay, the panel pointed out. To the contrary, it pointed out, however, that the companies would pay only a small part of the increased labor costs 11 1/2 percent under the Treasury profits tax proposal and 6 percent under the Ways and Means proposal. The balance would cost the companies nothing, since it would come out of a decrease in taxes.

3. "The panel finds that if a wage increase otherwise proper, is withheld because of its effect on government's per se, such withholding would involve an unauthorized tax on workers."

4. The panel found that in March 1941, the month before the steel wage increase last year, the hourly earnings in the durable goods industries were 12 percent less than they were in the steel industry. During the past year, this relationship has changed so that for the year 1942 the panel estimates the hourly earnings in durable goods will be only 7 3/4 percent less than steel, a shift of 4 1/10 percent.

5. In March 1941, the hourly earnings in all manufacturing industries were 20 1/2 percent less than steel, whereas for the year 1942 they are estimated to be only 17 2/5 percent less, a shift of 3 percent.

6. The panel estimates an even greater shift in the relationships, when calculated on a weekly basis. Its figures show that in March 1941, the weekly earnings in durable goods were 4 1/2 percent less than the weekly earnings in steel, whereas for the year 1942 durable goods will be 7 1/4 percent above steel, a shift of 12 percent.

7. The panel's estimates have been made on the assumption that hours of work will continue to increase throughout the year, except in steel. Steel is a three-shift industry working at capacity and there is no elasticity for increase of hours. The fairly stable weekly hours worked in steel and the continually increasing hours in durable goods and all manufacturing have accounted in great degree, according to the panel, for the shift in relationships which have occurred during the past year.

8. The panel further finds that a greater weight is normally given to the hourly earnings because hourly earnings fix costs and because it is proper that the worker should be paid according to the extent of his labor. Weekly earnings should be given more than their usual weight in the present determination of a just wage for the steelworkers."

9. The panel also found that the comparisons between steel and durable goods and steel and all manufacturing are pertinent, though the former is more to the point. It also found that "contracts between present comparative relations of industries and past comparative relations are pertinent though not controlling."

10. The panel finds that from March, 1941, to March, 1942, the cost of living for steel towns advanced 14 percent; average weekly earnings in the steel industry advanced approximately 13 1/2 percent, and average hourly earnings advanced approximately 14 1/2 percent.

The panel then compared the changes in the cost of living which had taken place since the general steel wage increase in April, 1941, with the changes in weekly earnings since April, 1941, and concluded:

"The panel believes that weekly earnings are the proper criterion for measuring the impact of rising living costs and therefore finds that the buying power of the earnings of the steel worker has decreased approximately 13 percent since the last general change of wage rates in the steel industry."

8. "Inland has said that in the past, increases in steel wages have spread industry throughout the other industries in the country and that the same thing would happen again. The panel believes that general economic conditions are the principal cause of changes in wage rates, rather than any specific change in a particular industry."

9. "Inland and Youngstown are either presently complying with or are willing to comply with the union's request for a minimum daily wage guarantee. "Granting the request would involve no direct additional cost to the companies."

10. "The functions of this union, in particular, are today of vital significance and its maintenance is socially desirable. Union security, in the form of maintenance of membership, united with the checkoff would:

(a) make shop conditions more peaceful by diminishing friction and eliminating the solicitation of dues, (b) reduce the cost of dues collection and benefit of labor to less than its proportionate share of the Nation's money income in order to prevent labor from acquiring too much power over the cost of account that money has value even when it must have value."

"Inland and Youngstown are either presently complying with or are willing to comply with the union's request for a minimum daily wage guarantee. "Granting the request would involve no direct additional cost to the companies."

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Other excerpts from the report:

1. The United Steelworkers of America has contracts with firms producing 60 percent of the total tonnage of the industry, covering more than 600,000 employees. This does not include the four companies involved in this case, which produce about 32 percent of the total tonnage.

2. The union's dues are $1 a month. The initiation fee is $3. The union has never levied special assessments.

3. The union was designated the sole collective bargaining agent in the industry. The four companies in the summer and fall of 1941 when it won National Labor Relations Board elections. The election was by a majority of 70 percent and showed the NLRB by a check of
union membership records that between 70% and 79% of the eligible employees in the other three companies were members of the union.

The wage demand

4. The union bases its demand for a general wage increase of $1 a day on the following arguments:

"(1) The steel worker has not received his share of the savings through increased productive efficiency in the steel industry."

"(2) The wages of the steel worker are inadequate when judged by standards of health and decency."

"(3) The companies are able to pay the increase demanded."

"(4) Comparable wages justify the demand."

"(5) The change in the cost of living justifies the demand."

5. "The panel finds that the union cannot ground a demand for a wage increase on the realization of savings through increased productive efficiency in the steel industry."

6. "The average annual income of steel workers was $1,050.72 in the year 1941. The panel finds that the union has not sustained its contention that wages in the steel industry are inadequate when judged by standards of health and decency."

Ability of the companies to pay

7. The $1 a day increase would cost Bethlehem, $25,000,000; Republic, $16,500,000; Youngstown, $20,000,000; Inland, $3,000,000. The 1941 earnings of the four companies before Federal profit taxes were: Bethlehem, $119,788,000; Republic, $70,398,000; Youngstown, $30,000,000; Inland, $30,000,000.

8. If the union receives the $1 a day increase, the 1942 earnings of the companies prior to Federal profit taxes would be in round figures as follows: Bethlehem, $90,000,000; Republic, $50,000,000; Youngstown, $30,000,000; Inland, $30,000,000.

"It will be noted that in each case the figure is substantially greater than any year in the 1931-1940 decade, and in the case of Bethlehem over 6 times, Republic over 13 times, Youngstown over 20 times and Inland over 2 times the average annual earning for the period."

Comparative wages

10. "The panel finds that for the year 1942 hourly earnings in the steel industry will be greater than hourly earnings in durable goods and greater still than hourly earnings in all manufacturing but in both cases the percentage difference will be less than was in the past."

11. "The panel finds that for the year 1942 weekly earnings in durable goods will probably be substantially greater than weekly earnings in the steel industry whereas in March 1941, they were slightly less. Weekly earnings in all manufacturing will probably be in the neighborhood of weekly earnings of steel workers, whereas, in March 1941, they were substantially less."

"Earnings of all workers for the year 1942"

<table>
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<th>Hourly earnings</th>
<th>Relation to steel</th>
<th>Weekly earnings</th>
<th>Relation to steel</th>
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</thead>
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<tr>
<td>Steel</td>
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<tr>
<td>Durable goods</td>
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<td>$44.12</td>
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<tr>
<td>All manufacturing</td>
<td>83.0</td>
<td>$37.22</td>
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</table>

"The month of March 1941 will be chosen for comparison because that was the month preceding the steel wage increase of April 1941."

"Earnings of all workers for the month of March 1941"

<table>
<thead>
<tr>
<th>Hourly earnings</th>
<th>Relation to steel</th>
<th>Weekly earnings</th>
<th>Relation to steel</th>
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<tbody>
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<tr>
<td>Durable goods</td>
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<td>All manufacturing</td>
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</tr>
</tbody>
</table>

"(The two above tables are quoted verbatim from the report.)"

Cost of living

12. "The wage rates in the steel industry advanced approximately 2.2% from April 1 to April 10, 1941. Giving effect to this advance, the panel further finds that:

"(a) From April 1941 to March 1942, the cost of living in steel towns advanced 3.3%."

"(b) Over the same interval, average weekly earnings in the steel industry increased a recognized rate of 3.4%."

"(c) Over the same interval, average hourly earnings in the steel industry advanced approximately 3.3%."

13. "On the presumption that the present policies of price freezing of most goods, rationing of scarce goods and control of rents in defense areas will continue and prove effective, and solely on the basis of the material in the record, the panel has allowed for increases of living costs after March 15, 1942."

Inflation

14. "The Panel further finds that the country is committed to fighting inflation on a seven point front, that one of the seven points is the stabilization of wages and that every wage increase has an indeterminate effect proportionate to its size and base."

15. "The national income represents the total sum distributed to individuals plus a sum which represents business savings. It is, therefore, the whole division of the Nation after the subtraction of depreciation and corporate taxes. For the years 1939 to 1941, the total compensation of employees has represented between 66% and 68% of the national income. Labor's share has, in other words, remained practically constant."

Minimum wage guarantee

15. "Many workers (50% of Bethlehem's 20% of Republic's) are paid on a piece-rate or incentive basis, rather than on an hourly basis. Some days their piece-rate earnings do not equal the guaranteed minimum hourly wage multiplied by the number of hours worked. Other days they earn more than the guaranteed minimum. Bethlehem and Republic guarantee these workers that their daily wage will equal the minimum when averaged over the pay period, which varies from one to two weeks. The union requests that they pay the guaranteed minimum even in this case. Youngstown and Inland are either complying with the union's request or are willing to comply."

16. The panel finds that: "The workers desire the change requested. The union represents the employees and its word should be accepted as to their wishes. Granting the request would involve no direct additional cost to the companies." Since no wage increase is intended, there is no reason for retroactive adjustment, the panel found. If the Board grants the union's request, the panel suggests that the Bethlehem and Republic companies negotiate with the union regarding any changes that need to be made in the incentive, tonnage, or piece-work rates, "on the assumption that the companies will have to bear no direct, additional cost, and that the steel workers' pay for performing a given quantity and type of work shall not be decreased."

Sellers of motor fuel at service stations given price adjustment privilege

Sellers of motor fuel, including diesel fuel, at service stations are given the same privilege of asking for maximum price adjustments as sellers of other commodities, in Amendment No. 31 to Maximum Price Regulation No. 127 (Motor Fuel Sold at Service Stations), issued June 26 by Price Administrator Henderson. The amendment was effective June 30.

The amendment was issued because, when Temporary Procedural Regulation No. 2 was issued to guide applications for adjustment under the general maximum price regulation, it was so phrased that it was inapplicable to the service station regulation.

Drive for scrap rubber continued 10 days by the President

President Roosevelt on June 29 called for a 10-day extension of the scrap rubber drive. He was advised that a great amount of scrap could still be gleaned.

As the whirlwind national rubber campaign went into its second week June 22, Lessing J. Rosenwald, chief of the WPB's Bureau of Industrial Conservation, issued a special appeal asking members of over 12,000 local salvage committees to redouble their efforts to bring in as much scrap rubber as possible.
PRICE ADMINISTRATION...

Ceiling put on charges for consumer services of million U. S. businessmen

Price Administrator Leon Henderson June 23 transferred all consumer services connected with commodities—from shoe shining to watch repairing—from the general maximum price regulation and placed them under a separate ceiling with provisions to meet the distinct price control problems involved.

In Maximum Price Regulation No. 165—Consumer Service, effective July 1—the Price Administrator set the highest prices charged last March by each individual seller as a wartime ceiling over consumer services for which the American public pays more than $5,000,000,000 yearly.

The new regulation completes the over-all price ceiling program that began when President Roosevelt outlined his seven-point anti-inflation drive in a special message to Congress.

"Services to the ultimate consumer are a special problem in the field of price control," Mr. Henderson stated.

"The new regulation does not change in any way the main objectives of the Office of Price Administration, which are to stabilize the cost of living under wartime conditions at levels reflected in the highest prices charged for commodities and services during March 1942.

1,000,000 establishments affected

"Estimates place the number of establishments supplying the consumer services covered by today's order at nearly 1,000,000. While the prices of some so-called wholesale services are controlled by the new regulation, for the most part it applies directly to services sold at retail and hence affects the budget of every family."

The general maximum price regulation established each seller's highest March prices as a ceiling for practically every article and service sold in the United States at all levels of selling—producer, manufacturer, wholesaler, and retailer. The only exceptions important to the average family's cost of living were a limited number of food commodities and various personal and professional services exempt from any control by OPA under the Emergency Price Control Act of 1942.

By its different effective dates, the general regulation, in effect, divided the over-all price control program into three main parts:

1. The automatic licensing on July 1 of all persons covered. No physical evidence of license is issued, but all sellers of the consumer services covered, are nonetheless licensed and subject to OPA action for revocation in the event of violations.

2. A provision permitting sellers of seasonal services—rental of beach equipment at a summer resort, for example—to determine their maximum prices by (a) taking the highest price charged in the corresponding season of 1941 and (b) adding an amount arrived at by multiplying that price by the percentage increase in the cost of living between last season and March 1942. A table showing these percentage increases is part of the regulation.

3. Provision for prompt adjustment upward of the March ceiling prices of any seller of consumer services who can prove he is suffering substantial hardship because his top prices do not reflect cost increases between February 1 and April 17, 1942, and that continuance of his service is threatened.

Outstanding features

Outstanding features of the new consumer service regulation include:

1. The automatic licensing on July 1 of all persons covered. No physical evidence of license is issued, but all sellers of the consumer services covered, are nonetheless licensed and subject to OPA action for revocation in the event of violations.

2. A provision permitting sellers of seasonal services—rental of beach equipment at a summer resort, for example—to determine their maximum prices by (a) taking the highest price charged in the corresponding season of 1941 and (b) adding an amount arrived at by multiplying that price by the percentage increase in the cost of living between last season and March 1942. A table showing these percentage increases is part of the regulation.

3. Provision for prompt adjustment upward of the March ceiling prices of any seller of consumer services who can prove he is suffering substantial hardship because his top prices do not reflect cost increases between February 1 and April 17, 1942, and that continuance of his service is threatened.

Copies of Maximum Price Regulation No. 165, Consumer Service, may be obtained by writing Distribution Section, Office of War Information, Social Security Building, Washington, D. C.
Scope of new order on consumer services

The scope of the new order placing ceilings on consumer services beginning July 1 is explained by the following questions and answers:

Q. What is the maximum price regulation for consumer services?
A. A separate price regulation placing a ceiling on consumer services.

Q. What is a consumer service?
A. Consumer service under the regulation is a service rendered in connection with a commodity for the ultimate consumer such as the housewife, the motorist or the farmer. But consumer service as used in this regulation does not include an industrial or commercial service, the ceiling prices for which were set by the General Maximum Price Regulation and became effective last May 11.

Examples of consumer services

Q. What are examples of consumer services?
A. Laundry, dry-cleaning and shoe repairs are some of the most common services performed for consumers. Others are the lubrication or repair of a private passenger car, the developing and printing of amateur films, the repair and servicing of home radio sets and electrical appliances, and the sharpening of household knives and scissors.

Q. What are examples of industrial or commercial services, which remain under the general maximum price regulation?
A. The sponging and shrinking of cloth after it has left the manufacturer and before it has been sold for cutting into garments; the services of a stevedoring company, and the warehousing of products on the way from a mill to a retail store.

Parking lot charges affected

Q. Is the charge made by a parking lot covered by the regulation?
A. Yes, an automobile is a commodity and the storage of a commodity is therefore under the price ceiling.

Q. What are the maximum prices on consumer services?
A. The highest prices which the supplier of the service charged in March 1942.

Q. Are prices on services standardized by this regulation?
A. No, the regulation simply places a ceiling for each establishment at the highest price it charged for a service in March 1942. But ceiling prices will vary from shop to shop just as uncontrolled prices varied in March.

Q. May prices be charged below the ceiling?
A. Yes, the regulation does no more than place a top limit beyond which prices cannot go.

Q. Some members of a chain of shoe-repair shops during March made a special rate of 75 cents for half-soling men's shoes. Other members of the chain hold to the customary price of $1.00. What is the ceiling price in these establishments?
A. The ceiling price has nothing to do with the ownership of the store or service business. The ceiling price is determined for each separate establishment on the basis of the highest price which it charged for a service supplied during March. For any stores which cut the price to 75 cents during the entire month the ceiling is 75 cents. For those which sold as high as $1.00, the ceiling is $1.00.

Professional services excluded

Q. Does the consumer service price regulation put a ceiling on charges for personal services as haircuts and manicures?
A. No, the definition of "service" in the consumer service price regulation is limited to those rendered in connection with a commodity.

Ceiling on auto repairs

Q. What about the charges of a garage for the repair of a private automobile? Is there a ceiling on the rate for a standard repair job, such as a motor tune-up?
A. Yes, if the garage in March made a standard charge of, for example, $3 for a motor tune-up that is the highest price the garage may charge for a motor tune-up after July 1.

Q. Is any provision made for determining the ceiling prices on seasonal services (such as the sharpening of ice skates) which are not generally rendered during March?
A. Yes, for such services the maximum charge is the highest charge made during the last season, plus an adjustment for the percentage increase in the cost of living between the time of the last service and March 1942. A table of living cost rises is included in the consumer service price regulation.

Automatically licensed

Q. What are the provisions about licenses?
A. Every person selling a consumer service is automatically licensed under this regulation, and every new seller automatically is licensed. There is no certificate or other actual license, but the seller is licensed nevertheless.

Q. What is the purpose of the license?
A. It is a method of enforcement. If a seller, after a warning from OPA, violates the regulation, a court of proper jurisdiction may suspend the license for as long as 12 months. Without a license it is illegal to sell services which are under this regulation.

Q. Must a service establishment post any ceiling prices in a manner similar to the "cost-of-living" posting rules of the general maximum price regulation?
A. No, the regulation does not require any service establishment to display a list of the ceiling prices.

Q. But does not the consumer service establishment have to make some list or report of its ceiling prices?
A. Yes, every person supplying a consumer service over which this regulation sets a price ceiling must prepare by September 1 a complete list of the highest prices he charged for all services he supplied during March for which prices were regularly quoted in that month. This report must also show any pricing method regularly used in March, and all customary allowances and discounts.

U. S. emergency purchases excluded from GMPR

Purchases by the United States Government for immediate delivery of any commodity for which there is an emergency need are excluded from the general maximum price regulation through an amendment announced June 24 by Price Administrator Henderson.

Originally Supplementary Regulation No. 4 in exempting sales of armaments to the Government from the general regulation, provided in addition for the exclusion of emergency purchases of goods not exceeding $1,000 in value. Amendment No. 5 to this supplementary regulation, effective June 30, 1942, removes this monetary limitation on such purchases.

The person making an emergency purchase on behalf of the United States or any of its agencies must file a report with the Washington office of OPA certifying that it was made in a situation in which it was imperative to secure the commodity immediately and in which it was impossible to secure or unfair to require, immediate delivery at the applicable maximum price.
Price regulations changed to make them easier understood and enforced

A series of amendments to simplify the application of the general maximum price regulation were announced by Price Administrator Leon Henderson.

The changes, none of which affects the level of price ceilings, are contained in Amendment No. 7 to the general maximum price regulation and in Supplementary Order No. 6, both effective June 25.

Chief points covered follow:

State and Federal taxes

The amendment rewrites the section on Federal and State taxes to make clear that a seller who absorbed a tax in March 1942 paid the tax and did not pass it on when reselling the article on which he had paid the tax.

This section also permits a seller who absorbed a tax in March to pass on an increase in a tax effective after March provided the amount of the increase is separately stated from the selling price and provided the tax law or ordinance does not prohibit the tax from being passed on.

Now the section, for example, will permit a retailer to pass on to the consumer an increase paid by the retailer in the cigarette tax if the retailer separately states the actual amount of the increase.

Price ceilings for distributors and jobbers

The definition of a "sale at wholesale" has been changed to permit a person who buys a commodity and resells it to an industrial or commercial user without substantially changing its form to use the method of a wholesaler rather than of a manufacturer in establishing his ceiling prices.

Purchases by war procurement agencies

A section has been added to the over-all price regulation eliminating war procurement agencies and contracting and paying officers from liability to penalties for paying more than ceiling prices. This enables contracting officers of the Army, Navy, Maritime Commission and the Lend-Lease Section to buy war materials without waiting to determine whether the seller's prices were in conformity with the general maximum price regulation.

This change, however, in no way lifts the price ceiling for the seller.

Institutional sales

A special category releases persons selling cost-of-living commodities exclusively to governmental agencies, or to religious, educational, or charitable institutions, institutions for the sick, deaf, blind, disabled, aged or insane, or any school, hospital or library from the rule requiring them to display or report their ceiling prices on cost-of-living commodities.

Mixed feed for animals

The definition of "mixed feed" for animals has been rewritten so as to bring under the general maximum price regulation mixed feed resulting from the mixing or blending of byproducts from a single vegetable, plant or other agricultural product, including molasses, beet pulp, and mixtures of cottonseed hulls and meals.

Screenings—the materials removed in cleaning grain or seeds—were also brought under the regulation.

Clarifying earlier regulation

Although price ceilings established under the general maximum price regulation do not apply to commodities covered by separate price regulations, the amendment makes clear that certain basic provisions of the general maximum price regulations apply to all OPA price regulations, unless the particular commodity price regulation specifies to the contrary.

These provisions cover (a) the licensing and registration of wholesalers and retailers, (b) the issuance of sales receipts or slips, and (c) the posting and reporting of ceiling prices on retail sales of cost-of-living commodities.

Posting ceiling prices

To eliminate any conflict or overlapping between the general maximum price regulation and separate price regulations on the posting of ceiling prices of cost-of-living commodities, Supplementary Order No. 6 adjusts the posting requirements of eight price regulations.

Ceiling adjusted on dead-burned grain magnesite for 2 consumers

To insure an adequate supply of maintenance grade dead-burned grain magnesite for the Vanadium Corporation of America and the Mathieson Alkali Works, Inc., Price Administrator Henderson has granted permission to the Westvaco Chlorine Products Corporation to increase its selling price for this commodity to $40.50 per ton in sales to these two consumers.

The change in the maximum price, which applies only to these two customers, was effective June 20.

The higher maximum price which Westvaco is permitted to charge to these two consumers will not result in an increased selling price for any of their products, Mr. Henderson stated.

Adjustable pricing allowed on contracts for steel castings pending action on freight costs

To speed the Nation's war program, Revised Price Schedule No. 41 has been amended to allow foundries to apply for permission to charge buyers of steel castings the abnormal freight costs on shipments of castings directly related to the war effort if such costs are occasioned by unusual circumstances such as deliveries beyond the normal shipping area.

Category of exceptions created

In order that the production of defense material may not be impeded during the time that such permission is being obtained, the schedule has further been amended to permit the Price Administrator to allow foundries to adjust their prices on deliveries made during the period their application is being considered by OPA.

Formerly, adjustable pricing was permissible only on contracts for steel castings where delivery was not required until 6 months or more after date of contract.

The changes have been effected through Amendment No. 2 to Revised Price Schedule No. 41, Steel Castings, Price Administrator Henderson announced June 22. The amendment became effective June 25.

"The amendment creates a category of exceptions so that the Price Administrator may permit a seller to charge more than maximum prices in cases where he would otherwise be forced to absorb abnormally high transportation costs resulting from dislocated tonnage shipments needed for the emergency requirements of the war effort," Mr. Henderson said.

Cartoons help production drive

The War Production Drive committee of the E. I. du Pont de Nemours plant at Louisville, Ky., gathers cartoon ideas from workers in the plant and distributes them in mimeograph. A recent picture of a Jap with a hot-foot was captioned, "We are not making foot powder, but it's good for de-feet of our enemies." A drawing of an arrogant Nazi was captioned, "How would you like to have him for a shift supervisor?"
OPA may act to cut rents July 1 in 60 more defense-rental areas in 30 States

Present indications are that the OPA will act to reduce rents in 60 more Defense-Rental Areas on July 1 by issuing maximum rent regulations. Price Administrator Henderson said June 22.

**Voluntary efforts not enough—Henderson**

The areas under consideration for this action embrace a population of 28 million persons and include such cities as Chicago, Philadelphia, San Francisco, Pittsburgh, Newark. The areas are scattered throughout 30 States.

"Demands for rental housing are increasing everywhere," Mr. Henderson said. "Voluntary efforts—good as they have been to control the rent problem—have not been effective enough. Our defense workers—and that means everyone these days—must be protected from soaring rents and threats of evictions. Our investigations in Defense-Rental Areas are continuous, and we will act wherever necessary and whenever necessary.

For the 60 areas under consideration, the Price Administrator made recommendations as to stabilizing rents on April 28, giving the 60-day period prescribed in the emergency price control act to meet his recommendations. Investigations in these areas as to what extent the recommendations have been met have been going on during this month.

**Areas considered for action**

The areas now being considered for action on July 1, with 1940 population and maximum-rent date are:

- San Luis Obispo, Calif., 33,546; Gainesville-Starke, Fla., 38,792; Alexandria-Leesville, La., 107,839; Montgomery-Prince Georges, Md., 173,462; Jackson-Milan-Humboldt, Tenn., 124,938; Tullahoma, Tenn., 97,309; Brownwood, Texas, 65,746; Mineral Wells, Tex., 38,928; Alexandria-Arlington, Va., 131,462; Jan. 1, 1941.

- Anniston, Ala., 76,948; Huntsville, Ala., 116,177; Muscle Shoals, Ala., 80,322; Talladega, Ala., 108,130; New Haven, Conn., 300,677; New London, Conn., 181,477; Jacksonville, Fla., 210,143; Macon, Ga., 105,464; Joliet, Ill., 114,210; LaPorte-Michigan City, Ind., 75,918; Junction City-Manhattan, Kans., 35,883; Bath, Maine, 35,417; Baltimore, Md., 1,103,966; Niles, Mich., 89,117; Biloxi-Pascagoula, Miss., 71,605; Hattiesburg, Miss., 54,267; Hollins-Waynesville, Mo., 46,936; Massena, N.Y., 61,508; Watertown, N.Y., 64,003; Fayetteville, N.C., 74,257; Dayton, Ohio, 557,045; Laton, Ohio, 53,588; Sharon-Parrel, Pa., 101,039; Abilene, Tex., 79,093; Beaumont-Port Arthur, Tex., 112,711; El Paso, Tex., 131,267; Radford-Ashland, Va., 110,863; Elyria, Ohio, 112,390; Texarkana, Tex., 52,052; July 1, 1941.

- San Francisco Bay, 2,666,691; Savannah, Ga., 117,970; Chicago, 4,418,122; Rockford, Ill., 356,269; Springfield, Mass., 454,568; Flint, Mich., 227,944; Saginaw-Bay City, Mich., 123,543; St. Louis, Mo., 1,476,865; North-eastern, N.J., 818,166; Buffalo, N.Y., 958,497; Portland-Vancouver, Ore., 501,276; Erie, Pa., 350,889; Philadelphia-Camden, 3,195,357; Pittsburgh, 2,595,760; Charleston, S.C., 141,063; San Antonio, Tex., 437,634; March 1, 1941.

**Bangor firm’s proposed increase in power rates opposed by OPA**

Permission to intervene in opposition to a proposed increase in secondary power rates of the Bangor Hydro-Electric Company was sought June 27 by Price Administrator Henderson in a petition filed with the Maine Public Utilities Commission in Bangor.

**Voluntary efforts not enough—Henderson**

The Administrator’s petition said that, on the basis of information supplied by the power company, the effect of the proposed increase would be to raise the annual operating costs and expenses of certain manufacturers of pulp and paper, which products are under OPA price ceilings.

Further, according to the petition, “It appears that the proposed increased rates are predicated principally upon alleged estimated increases in Federal income taxes to be levied in 1942.” Approval of the increase under these circumstances, the commission was told, would be contrary to the intent of the Congress, inflationary in character, and would adversely affect the programs and policies of OPA to stabilize prices.

**CRITICAL HOUSING AREAS**

The War Production Board has added eleven new areas to the Defense Housing Critical Area List. They are:

1. Coraona, Calif.: Ontario-Pomona-Upland, Calif.; Twenty-nine Palms, Calif.; Palm Desert, Calif.; for conversion and rehabilitation purposes only;)
2. Claremont, N. H.: Sioux Falls, S. D.; for conversion and rehabilitation purposes only;)
3. Big Springs, Tex.; Fort Stockton, Tex.; Brigham, Utah; Magna, Utah; Windsor, Vt.
Three steps to stabilize cost of iron and steel products announced by Henderson

Three steps designed to stabilize further and make "fair and reasonable" the cost of iron and steel products to buyers, particularly to the Nation's armament makers, were announced June 26 by Price Administrator Henderson.

In Amendment No. 6 to Revised Price Schedule No. 6, on iron and steel products, effective June 30, these actions were taken:

1. Producers of iron and steel products were directed to file with the OPA data covering conversion and processing charges. The data, the Price Administrator said, will be studied to determine whether such charges are fair and reasonable, and whether any future regulation of them is necessary.

2. Uniform rules for the application of extras and other charges on cold finished steel bars and shafting were issued. These rules are designed to clarify such charges, and eliminate the possibility of the charging of several overlapping extras on the same product. This step, the Price Administrator said, will result in "substantial savings" to buyers. In many instances members of the industry have already voluntarily adopted the revised practices, so that the amendment, to some extent, merely standardizes existing pricing practices.

3. Conditions under which producers of concrete reinforcing bars are required to give discounts were defined by OPA. The Tennessee Valley Authority and Bureau of Reclamation, as well as concrete reinforcing bar fabricators, were listed as customers entitled to the discount of $5 cents per hundred pounds on such bars.

Commenting on the request for data on conversion or processing charges, the Price Administrator said that in the past, steel mills have sometimes purchased billets or other steel from persons who were able to obtain such steel on the market and have processed or converted it under an agreement to resell. In these cases, the purchases by the steel producer and subsequent resale to the former owner have been at ceiling prices. With these sales, the Office of Price Administrator is not greatly concerned as long as the prices are within the permissible maximums, Mr. Henderson said.

In regard to the new uniform rules for the application of extras, the Price Administrator said that extras applicable to sales of cold finished steel bars and shafting, both in the carbon steel and alloy steel classifications, have for some time been confused. Both bars and shafting are highly important in the war program.

64 gasoline violators penalized by suspension of deliveries

Gasoline deliveries to 64 filling stations and garages in the metropolitan areas of New York, Newark and Philadelphia were suspended June 26 by Paul M. O'Leary, acting deputy administrator in charge of rationing, for periods of 15 to 30 days for violation of OPA rationing regulations.

The June 26 suspension orders are the largest group which the OPA has served against filling stations and garages for selling gasoline without requiring a rationing card of the motorist.

In the initial enforcement drive opened by the OPA earlier this month, inspectors for OPA made a "spot check" from which came 175 cases for further investigation. Thus far, 73 suspensions have been ordered. Final action has not been taken on a number of remaining cases.

The suspension orders, served on the retail dealer and on his gasoline supplier, prohibit delivery to the dealer for the specified period but do not prevent sales of such supplies as may be in his storage tanks. The orders also do not bar the dealer from performing any other service operations.

Housewife will be able to judge quality of meat under new order

Housewives are assured of a simple and accurate guide for buying beef and veal when the new OPA price regulation on these meats becomes effective July 13, the Consumer Division of the OPA said June 28.

Under the new order, all beef and veal sold at wholesale must be graded according to Government specifications of quality. Ceiling prices asked by beef and veal wholesalers must be related to the grades stamped on each meat carcass.

The new grading requirement is a guarantee to the homemaker that she will obtain the quality she pays for.

When the new regulation goes into effect, shoppers will find all beef, yearling, and veal stamped with a grade letter. Government grades now called "prime" and "choice" will be combined into the new grade "AA." The present Government grade known as "good" will be stamped "B," and will cover most of the better grades of beef and veal bought by housewives. The "commercial" grade will be stamped "R," and the "utility" grade will be stamped "C."

Provisions of general price regulation modified for Puerto Rico, Virgin Islands

Special conditions peculiar to two territories of the United States—Puerto Rico and the Virgin Islands—were recognized June 17 by Price Administrator Henderson in a supplementary regulation (No. 13) modifying several features of the general maximum price regulation as they affect the islands.

Base period changed

The modifications are:

1. The base period for determination of ceiling prices under the general maximum price regulation in Puerto Rico and the Virgin Islands has been changed from the month of March, to the period from April 10 to May 10, 1942.

2. The date by which sellers on these islands must have their statements of ceiling prices ready has been extended to August 1, 1942.

3. Sellers in these islands must show in their statements their maximum prices, both for the month of March 1942, and for the period from April 10 to May 10. It is the April 10-May 10 period, however, that establishes their ceilings.

4. The date by which sellers in these islands must post conspicuously in their stores their maximum prices for the list of nearly 250 cost-of-living commodities is extended to August 1, 1942.

5. Power to adjust cases in which sellers claim the regulation causes them substantial hardship has been delegated to the administrator of the Ninth Region, subject to review by the Price Administrator on appeal. Applications for adjustment are to be filed with the Territorial Directors of Puerto Rico and the Virgin Islands in accordance with Procedural Regulation No. 7.

New cosmetics order expected to limit shades, odors

One of the features of a forthcoming limitation order on production of cosmetics will be a reduction in the number of permitted shades and odors of a wide variety of items ranging from lipsticks to "cosmetic" stockings.

Simplification of shades and odors is expected to lead to a reduction of dealer and wholesaler inventories and a consequent saving in container and closure material.

Vanadium melting restricted

Melting of vanadium was placed under complete control of the Director of Industry Operations in an amendment to the vanadium conservation order, M-23-a, dated June 23.
Prices on all kinds of scrap rubber aligned with maximums on tire, tube scrap

Acting to smooth out distortions in the scrap rubber market, Price Administrator Henderson June 27 announced issuance of Revised Price Schedule No. 87 as amended, effective June 26, which brings prices to consumers for all kinds of scrap rubber into line with the maximums already established on tires, tire parts, and tubes.

The Administrator emphasized that the ceiling order in no way affects either Rubber Reserve Company's offer to buy scrap tires and miscellaneous scrap rubber at $23 a ton in carload lots at any shipping point in the country, or the price paid to individuals by filling stations and other collection agents in the national campaign.

California-processed sugar raised 15c per 100 pounds on DSC sales in 10 States

Because of demand in the eastern deficit area under rationing regulations and surpluses in West Coast refiners' hands, Price Administrator Henderson June 26 ruled that California-refined cane sugar hereinafter may be sold by Defense Supplies Corporation or its designees at $5.60 per 100 pounds in ten Northeastern States.

This increase of 15 cents per 100 pounds, requested by DSC was to be effective June 26, by Amendment No. 2 to Order No. 1 under Revised Price Schedule No. 60 (Direct Consumption Sugars).

Dead animals ascend through price ceiling

Dead animals, usually termed fallen animals, were exempted from provisions of the general maximum price regulation by Amendment No. 9 to Supplementary Regulation No. 1, effective June 25, 1942.

The value of the carcasses depends largely upon the hides and the distance the animals must be transported for rendering and in certain areas no fallen animals were sold during March.

Gasoline raised 2 1/2 cents per gallon on Eastern Seaboard to pay higher cost of moving

A special increase in the price of gasoline, kerosene and light fuel oils along the Eastern Seaboard—to finance the increased cost of transporting petroleum products into the restricted area and assure unrestricted movement—was to be made June 25, Price Administrator Henderson announced June 27.

Users to bear costs

The increases are: gasoline, 2 1/2 cents per gallon; kerosene, range oil, tractor fuel, distillate Diesel fuel oils, gas house oils and Nos. 1, 2, 3 and 4 fuel oils, 2 cents per gallon. There will be no increase on residual fuel oils. The advances are permitted also on retail sales.

FANCY BED LINEN PRICES

Specific prices that one manufacturer may charge for fancy bed linens were established June 27 by the OPA.

Sales and deliveries of certain sheetings, sheets and pillow cases by Defender Manufacturing Co. of New York City are exempted from the provisions of Revised Price Schedule No. 89 (Bed Linens) through Amendment No. 7. Simultaneously maximum prices for these bed linens are provided under Order No. 12 to the general maximum price regulation. Both actions took effect June 23.

Amendment No. 7 to Schedule 89 at the same time provides that deliveries of grey sheetings and bleached pillow tubing against contracts entered into between May 4 and May 27, 1942 will be governed by Maximum Price Regulation 118 (Cotton Products). Deliveries against contracts made after May 27, come under the scope of Schedule 89.

Burning of old tires to prevent frost damage prohibited

Rubber Coordinator Arthur B. Newhall June 25 called attention to the fact that WPB regulations prohibit the burning of old or cut-up tires for the purpose of preventing frost damage in fruit or citrus groves.

Supplementary Order M-15-b contains a general ban on the destruction of certain rubber products except where essential to manufacturing or reclaiming operations.
Retailers' price ceiling statements

An explanation in question and answer form, of the price ceiling statements which all retailers must prepare by July 1, was released June 25 by the OPA. Some of the questions and answers follow:

1. Q. What are the statements that a retailer is required to prepare by July 1?
   A. He is required to prepare:
   1. A statement of the maximum prices at which he is offering "cost-of-living commodities" for sale on June 30, or on the day he files the statement.
   2. A statement of the highest price at which he has handled any item since March 31, and the maximum price he can charge for such an item after May 18.

Why necessary

2. Q. Must a retailer file the same statements every month?
   A. No. The regulation requires a separate statement for each month.

3. Q. Does OPA suggest that a retailer arrange his items and prices if he uses this standard size paper?
   A. The following would be a typical arrangement for a typical clothing store: The name and address of the store appears at the top of the first sheet. The rest of this sheet, and the other sheets are divided into four columns, headed respectively "Name of Commodity," "Manufacturer, name or code number and style number," "Other identification," and "Maximum Price." Under "Name of Commodity" the first heading is "Apparel and "yard goods." Under that comes "Men's and boys' clothing." Under that comes "Men's pajamas," etc.
   B. The following is a restricted list of the store's maximum prices on a representative group of items that enter into the family cost-of-living index:

   Chain may not file blanket statement

4. Q. May a chain of stores file a blanket statement of maximum prices with OPA covering all cost-of-living items being handled in all stores, although every store may not have all those items?
   A. No. The regulation requires a separate statement for each store.

5. Q. How does OPA suggest that a retailer arrange his items and prices if he uses this standard size paper?
   A. The following would be a typical arrangement for a typical clothing store: The name and address of the store appears at the top of the first sheet. The rest of this sheet, and the other sheets are divided into four columns, headed respectively "Name of Commodity," "Manufacturer, name or code number and style number." "Other identification," and "Maximum Price." Under "Name of Commodity" the first heading is "Apparel and "yard goods." Under that comes "Men's and boys' clothing." Under that comes "Men's pajamas," etc.

Mandatory instructions

6. Q. What must the retailer do with these statements when he has finished preparing them?
   A. (1) He must file the first statement, covering the articles on the cost-of-living commodity list which he handles, with the nearest War Price and Rationing Board by July 1. If he does not know where this nearest board is located, he may call his local newspaper office, the police department, city hall or county courthouse.
   (2) He must keep the second statement, covering all items in his stock, in his place of business, starting July 1, for examination by any customer or interested person during business hours.

Why necessary

7. Q. How does the Office of Price Administration require these statements of retailers?
   A. To provide a quick means for each retailer to prove that he is obeying the general maximum price regulation, and is thus doing his part in the battle against inflation.

8. Q. In what form should a retailer prepare his statement of maximum prices for such of the cost-of-living commodities as he handles?
   A. OPA suggests that the retailer use standard letter-size paper; that if he does not have a typewriter he prepare his statement carefully in ink; that the name and address of the establishment be indicated on a separate title page, or at the top of the first page; that items be listed in the order shown in Appendix B of the general maximum price regulation, of course omitting groups, classes and items not handled.

Maximum prices set on antifreeze

American motorists will be able to obtain antifreeze at reasonable levels during the coming winter, Price Administrator Henderson stated June 25 in announcing maximum prices for this commodity.

The retail price has been established at levels well under the speculative quotations prevalent at the end of last winter, he said. In addition to prices at retail, ceilings for antifreeze have been determined for manufacturers and distributors.

Since May 18, 1942, May 18 retail maximum prices for antifreeze have been governed by the provisions of the general maximum price regulation—that is, the highest price which the individual seller charged during March.

Catalogues or similar printed merchandise lists supplied by wholesalers, manufacturers or trade organizations may be used by retailers in preparing the statements of maximum prices which every seller under the general maximum price regulation must have by July 1, the OPA stated June 22.

Two statements required

Such lists may prove particularly helpful to drug stores, hardware retailers, jewelers and others carrying a large assortment of items.

In compiling the list of March prices, printed lists are acceptable as long as there is included, in one way or other, every item in stock that is covered by the general maximum price regulation.

This statement, OPA said, is not to be filed with any OPA office but is to be retained in the place of business beginning July 1 for examination by any customer or interested person.

A second statement which retailers must prepare is the list of ceiling prices on the designated cost-of-living commodities shown in Appendix B of the general maximum price regulation. This is a restricted list of the store's maximum prices on a representative group of items which enter into the family cost-of-living index and must be filed with the nearest War Price and Rationing Board by July 1.

Retailers may use catalogues, other printed lists in preparing ceiling statements

Catalogues or similar printed merchandise lists supplied by wholesalers, manufacturers or trade organizations may be used by retailers in preparing the statements of maximum prices which every seller under the general maximum price regulation must have by July 1, the OPA stated June 22.
New ceilings set on beef, veal at packer and wholesale levels

The basis for maximum prices of beef and veal at the packer and wholesale levels is changed by a special regulation (Maximum Price Regulation No. 169), announced June 20 by Price Administrator Henderson. The regulation, effective July 13, provides that packers and wholesalers' ceilings for each grade of carcass and quarter of beef (or carcass and saddle of veal) shall be a price no higher than the lowest price at which each individual merchandiser sold at least 30 percent of his total quantity of that grade during March 16-28, 1942.

To relieve squeeze against retail ceilings

Maximum retail prices to consumers are not changed by the regulation, and continue to be governed by the general maximum price regulation.

As a necessary part of price control on beef and veal, provision also has been made for standard grading of these meats by all packers and wholesalers in accordance with the grading specifications of the Agricultural Marketing Administration of the United States Department of Agriculture.

"The new regulation will relieve an inordinate squeeze against the retail ceiling prices on these commodities," Mr. Henderson pointed out.

* * *

Licenses necessary to sell used egg cases

All persons who sell used egg cases and used component parts and who are subject to the maximum price regulation established for these goods are being licensed as a condition of selling, Price Administrator Henderson announced June 20.

The licensing provision is contained in Amendment No. 1 to Maximum Price Regulation No. 117—Used Egg Cases and Used Component Parts—and became effective June 22.

* * *

WAR SHIPPING APPOINTMENTS

Admiral Emory S. Land, War Shipping Administrator, June 23 announced the appointment of Charles H. C. Pearson as WSA manager in the Caribbean area with headquarters in Havana, Cuba. At the same time Admiral Land announced the appointment of Charles M. Colgan as WSA representative at the Canal Zone.

20 food industry leaders named to help solve price adjustment problems

Twenty leaders of the food industry, representing virtually every phase of processing and distribution, were appointed by Price Administrator Henderson June 24 as a national food industry advisory committee to work with OPA in the solution of problems and adjustments under the general maximum price regulation.

To advise on adjustment problems

The committee, representing canners, processors, wholesalers, and chain and independent retailers will advise with OPA on problems of adjustment under the general maximum price regulation.

"The job of the committee," Mr. Henderson stated, "will be to work out a full and complete solution of the problems of the food industry in a spirit of mutual understanding."

Trade associations to help

The first meeting was to be held on June 26 and was to concern itself largely with the problem of the "squeeze" created for retailers and wholesalers under the general maximum price regulation, and to over-all discussion of OPA policy and the maintenance of ceiling prices.

Two mines allowed to make adjustable-pricing contracts

Issuing orders under Maximum Price Regulation No. 120 (Bituminous Coal Delivered from Mine or Preparation Plant), Price Administrator Henderson has permitted two mines—one in West Virginia and the other in the State of Washington—to enter into adjustable-pricing contracts pending disposition of petitions asking price adjustment.

The contracts would fix interim sales at existing maximum prices, with the provision that they be adjusted to price changes, if any are permitted, in OPA's final decision on the company's petitions.

Order No. 11 permits the West Virginia Coal and Coke Corporation, Cincinnati (on and after May 27, 1942, date of filing of the petition), to enter into such agreements with buyers of bituminous coal produced at its Norton Mine, at Norton, W. Va., in Production District No. 3, to adjust prices upon deliveries made during the pendency of its petition for adjustment or exception, in accordance with the disposition of the petition.

Order No. 14 permits the Pacific Coast Coal Company, Seattle, on and after May 27, 1942 (date of filing of the petition), to enter into adjustable-pricing contracts pending disposition of its petition.

Phillips to direct automotive supply rationing

Appointment of Dr. Charles F. Phillips of Syracuse, N. Y., to the newly created position of director of the automotive supply rationing division was announced June 22 by Price Administrator Henderson.

In his new capacity, Dr. Phillips, a former professor of economics at Colgate University and marketing consultant to a food store chain, will supervise tire and passenger automobile rationing activities and rationing of bicycles, which is soon to be enjoined.

Appointment of his new position follows by only a few weeks his appointment as chief of the tire rationing branch, a post to which Robert S. Betten succeeds.

Simultaneously with Dr. Phillips' appointment, Mr. Henderson named Hubert G. Larson as assistant to Rolf Nugent, the former automobile rationing chief, who recently became head of the Price Administration's consumer requirements branch.
Importers may sell commodities to industrial, commercial users at prices above ceilings under certain conditions

Importers are given permission by the OPA to sell imported commodities, under certain conditions, to industrial and commercial users at prices above those paid in March 1942, the established ceiling prices provided by the general maximum price regulation.

To assure free flow of imports

This permission is granted in Supplementary Regulation No. 12 to the general maximum price regulation, effective June 20.

The purpose of the new supplementary regulation is to make possible a continued free flow of imported commodities into this country.

Buyer must process commodity

Under the supplementary regulation, persons who import any commodity after March 31, 1942, and sell it to an industrial or commercial user in substantially the same condition in which it was imported, are permitted to sell such a commodity above their ceiling price in March to the extent of the difference between their delivered costs of the commodity and their delivered costs for the same commodity delivered by them in March.

Mr. Henderson stated:

The supplementary regulation further provides that the importer may only sell above his maximum price in March to an industrial or commercial user who is defined as a person who does not resell the commodity he purchases in substantially the same form as he received it. In other words, the buyer must process the commodity in some manner before he resells it.

User to absorb increased costs

The industrial or commercial user is placed on notice that he will have to absorb any increased costs which he paid for the imported commodity to the importer. In this manner, any possibility of a resulting inflationary tendency from such transactions will be stopped at the point of first resale of the imported commodity in this country.

As a safeguard, the importer is obliged under the regulation to notify the industrial or commercial user that he is selling the imported commodity to him above his March ceiling price, and in that manner the latter can determine for himself whether he is in a position to absorb the increased delivery costs before he enters into the transaction.

No effect on Government purchases

The supplementary regulation is limited in its coverage to imports into the continental United States from its territories and possessions and from foreign countries. It does not apply to imports into its territories and possessions from any other country. This limitation is necessary, it was explained, because there are other regulations covering the territories and possessions.

Lumber from Canada is excepted from the provisions of the new regulation because specific coverage of imported Canadian timber is to be provided under other regulations.

The Price Administrator pointed out that sales by domestic sellers of imported commodities, unprocessed by them, to the United States or any of its agencies or to any person who will use the imported commodity to fulfill a contract or a subcontract with the United States or any of its agencies were excepted from the provisions of the general maximum price regulation under Amendment No. 1 to Supplementary Regulation No. 4. Supplementary Regulation No. 12, therefore, has no effect on Government purchases of import commodities which have already been excepted.

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Combed yarns, woven goods for war use not under MPR 157

All combed yarns of the types covered by Revised Price Schedule No. 7 and all finished woven goods of the descriptions governed by Maximum Price Regulation No. 127 remain under the provisions of these two price orders, even when sold or fabricated for military purposes, the OPA made clear June 23.

Questions had arisen in the trade, according to information received by OPA, as to whether goods or yarns of these types were exempted from these two price orders and came under the provisions of Maximum Price Regulation 157 (Sales and Fabrication of Textiles, Apparel and Related Items for Military Purposes) when made in accordance with military specifications for a war procurement agency.

The June 23 statement was made at the request of the Army Quartermaster Corps and the War Production Board, OPA said.

OPA further pointed out that Regulation 157 does not apply to any other commodity for which a maximum price is in effect, except those covered by the general maximum price regulation.

Paper products regulation revised by OPA to include other grades

Certain grades of paper omitted erroneously from the section of Maximum Price Regulation No. 129, which established conditions of sale for these grades, are now included by Amendment No. 4 to the regulation (paper and paper products) issued June 23 by the OPA.

The amendment corrected subparagraph (3) of Section 1347.12 (d) by adding the words "and (d) (2)" so that the conditions of sale affecting maximum prices includes the grades set forth specifically in (d) (2) — "all other grades of Machine Finish Kraft Wrapping Paper, and all grades of Machine Glazed Kraft Wrapping Paper, Machine Finish Variety Bag Paper, Machine Glazed Kraft Bag Paper, including but without limitation Unbleached Kraft Butchers Paper."

The amendment also qualifies Unbleached Kraft Butchers Paper as a commodity to be included under the regulation.

Other corrections

Other corrections made by the amendment are:

Variety bag papers, glassine, greaseproof, fruit wrapping and manifold are now listed among the excluded from the prices set forth in subparagraph (6) of Section 1347.11 (a), and the word converting is inserted to conform with the statement of considerations issued with the regulation.

The inclusion of the words "Machine Finish and Machine Glazed" to the headnote in paragraphs (6) of Section 1347.12 and the addition of the words "Machine Finish to Grades" clarify the types of wrapping and bag paper originally intended to be covered by the regulation.

** **

Paper makers must bear increased freight costs

Manufacturers of industrial paper and converted paper products may not add increased freight costs to their maximum prices which were established in some cases by Maximum Price Regulation No. 129 and in others by the general maximum price regulation, the OPA announced June 24.

Under this interpretation, announced to clarify the problems of freight costs which have arisen since the issuance of the general maximum price regulation, manufacturers who allowed partial freight must absorb the 6 percent increase in freight costs, effective in March 1942, and any other increase in freight costs incurred as the result of wartime emergency conditions such as the rerouting of shipments by rail instead of water.
Markups adjusted on resales of new bags made from cotton and burlap fabrics

Markups which sellers, other than manufacturers, of new bags made from cotton and burlap fabrics may charge were adjusted by the OPA June 24 through an amendment to Maximum Price Regulation No. 151 (New Bags). At the same time the definition of "new bags" was also clarified.

May add highest "cents per bag" margin

Amendment No. 1 to the regulation takes into consideration the variation in markups customarily charged by resellers according to the type of bag and the section of the country where sold. Persons purchasing bags for resale are permitted by the amendment to add to the "delivered cost" a margin which is, generally, equivalent to the highest markup, in cents per bag, charged during the month of March 1942.

While the highest "cents per bag" margin obtained by resellers during March 1942 is permitted, OPA officials pointed out that this represents a smaller percentage marking because of the increased cost of the bags they resell.

Other provisions

When a seller made no sales or deliveries of a new bag of the same type during March 1942, other methods are provided for determining his markup under various situations such as basing it upon his most nearly similar new bag or the markup of his most closely competitive seller.

Definition of new bag clarified

Markups to be charged by sellers other than manufacturers are based on the "delivered cost" of the bag to the seller. This delivered cost must not exceed the maximum price established by the regulation, plus actual transportation charges incurred by the seller in transporting the bags to the point of shipment.

The definition of new bag is amended to read:

"New bag" means a previously unused container which (i) is manufactured within the United States, (ii) is to be used for packaging a commodity therein for transportation or storage (iii) is manufactured from burlap or cotton textile material which has not previously been used for any commercial purpose. It shall not include seamless cotton bags.

Jobbers of woolen or worsted civilian apparel fabrics may use optional pricing

An optional method of establishing a maximum price for woolen or worsted civilian apparel fabrics sold by jobbers under Maximum Price Regulation No. 163 and two clarifications of provisions applying to jobbers' sales were announced June 24 by Price Administrator Henderson.

Amendment No. 1 to Regulation 163 makes the optional pricing method applicable only to those jobbers who dealt in the same fabric during the period October 1 to December 1, 1941. It provides that they may use as their ceiling for a fabric the highest price at which they sold or delivered the same fabric during that period so long as such optional maximum is not higher than the replacement cost of the fabric plus the permitted mark-up. Otherwise the percentage mark-ups over the manufacturer's invoice price set by the regulation originally are applicable.

Affects those who supply custom tailors

"The mark-up presently permitted by the regulation in many cases would establish a maximum lower than the prices at which the same fabrics were sold to customers of jobbers during the fall of 1941," Mr. Henderson explained.

Converters' prices on rayon yarn "rolled back," formal ceilings set

Prices which converters of rayon yarn may charge were "rolled back" June 22 by Price Administrator Henderson at the same time that he issued a companion regulation placing formal ceilings over rayon yarns and staple fibers.

6 regulations on rayon

The two regulations of June 22 bring to a total of six the number of OPA schedules specifically covering various phases of the rayon industry. All forms of rayon or its products not specifically covered by any of these six regulations are controlled by the general maximum price regulation on the basis of March 1942 levels.

Maximum Price Regulation No. 167 (Rayon Yarn and Staple Fiber) issued June 22 establishes maximum prices at the levels which rayon yarn producers have observed for their products since October 1941 at OPA request.

The June 24 amendment will, for the most part, affect those jobbers who supply custom tailors and who, of necessity, maintain large inventories to be able to fill orders out of stock. A substantial proportion of current inventory was acquired by them some time ago, at prices considerably below replacement cost.

Another provision of the amendment makes it clear that the division factor applicable to sales of cut lengths of 9 yards or less to merchant tailors also applies to sales of such lengths to the custom tailoring departments of retail stores for which the jobbers perform the same service.

It is also provided that the jobber in establishing his mark-up by using the manufacturer's invoice price uses the gross price rather than the price after any discount.

Simultaneously with the June 24 amendment to Regulation 163, OPA issued corrections of typographical errors appearing in the text of the regulation. In Section 1410.11 (a), the word "or" is corrected to read "of" and in Section 1410.115 (a) (5), the word "not" is corrected to read "nor."

Maximum Price Regulation No. 168 (Converted Yarn and Converting Charges) applies to commission converters and sellers of converted yarns. By converting is meant the changing of the original form of the yarn by operations such as twisting, warping, dyeing, and spooling, in order to prepare it for the weaving and knitting industries.

Set at lower prices

The ceilings provided under this regulation are set at substantially lower prices than most converters charged in March 1942, which were the prices established as the ceilings under the general maximum price regulation. The June 22 regulation supersedes the general regulation for these converting operations and establishes uniform specific charges.
**PRODUCTION DRIVE . . .**

War plant reports 63½ percent production increase in three months' drive

An increase in war production of 63½ percent, one of the greatest since the start of the War Production Drive, was reported on June 25 to Donald M. Nelson, chairman of the War Production Board, by the War Production Drive Committee of the Cleveland (Ohio) Tractor Company.

Cites monthly increases

The committee cited its production increases as follows:
- March—greatest production in the history of the company.
- April—23 percent greater than March.
- May—33 percent greater than April, or approximately 63½ percent greater than at the start of the War Production Drive.

The report was signed by Nick Nardozzi, John J. Bergman and W. O. Buckner, L. F. Hawkins, and L. H. Grutsch, chairman, representing the management. The labor representatives are members of the International Association of Machinists, A. F. L.

In acknowledging the report, War Production Drive Headquarters sent this message:

"Your remarkable production record is outstanding even during these times when millions of men are striving toward the same goal."

Work behind the increase

The committee reported the activities of its subcommittees in detail. The report gives an interesting picture of the work behind the production increase.

The housekeeping committee has cleared a bottleneck in transportation, reducing the waiting time for stock.

The safety committee is stimulating departmental rivalry for the best safety record. It also distributes safety bulletins.

The material saving committee, through weekly educational meetings, reduced labor loss 3 percent and material loss by 24 percent. The report states, "This savings percentage is actually a greater ratio when the production increase for 33 percent for the month of May is taken into consideration." Losses, the committee said, will be even lower in June.

The fire prevention committee makes a weekly inspection of the plant and arranges for the installation of new firefighting equipment, signs, etc., when needed. It holds weekly training classes.

The transportation committee erected three large city maps, one for each shift, and located the homes of each employee with numbered pins. A master file gave information necessary for the formation of car pools. A test in one department showed employees had reduced their cars by fifty percent. The committee expects poolings will eventually eliminate 300 cars.

The publicity committee is developing a slogan contest and has erected a production bulletin board. The committee discovered four cartoonists among employees and their work is being utilized in publicity.

The absentee committee, not satisfied with reducing absenteeism 25 percent during the month of May, is making personal contact with habitual absences this month.

The suggestion is about to put its program into effect, offering war bonds and stamps on 10 percent of a year's saving from the suggestion.

### Nielsen to attend London maritime conference

The Maritime Commission and the War Shipping Administration June 29 announced that Erich Nielsen, assistant director of the Division of Maritime Labor Relations of the War Shipping Administration, will attend as an observer the conference of the Joint Maritime Commission of the International Labor Office to be held in London, commencing June 22.

Chief aim of the conference, the twelfth of its kind, will be to help coordinate efforts of all United Nations' seamen's organizations and shipowners to secure maximum cooperation between these groups and the United Nations in carrying out the wartime responsibility of shipping.

**“DON'T LET THEM DOWN”**

The Chrysler Corporation plant at Detroit labor-management committee reports to War Production Drive Headquarters that bulletin boards have been erected showing the number of brothers, sons, uncles, cousins, fathers, nephews, and husbands in the Army, Navy, Marine Corps, and Army Air Corps. The bulletin board carries the words: "Don't let them down! Their lives may be in your hands."

### Foreign requirements branch to act as priorities liaison

Establishment of a foreign requirements branch in the Bureau of Priorities was announced June 22 by Henry Nelson, assistant bureau chief in charge of requirements.

**Functions of new branch**

The new branch will be headed by Fred Lavits, Jr. who has been a priorities specialist in the automotive branch of OPM and WPB since September 1941.

The foreign requirements branch will serve as liaison on priority matters between the War Production Board, the Maritime Administration, and the Board of Economic Warfare, and will receive all applications for priority assistance from foreign governments or purchasers in foreign countries (except Canada) received through these agencies.

In cooperation with existing agencies, the foreign requirements branch will develop improved procedures for handling priorities on materials and products for export.

### CUTS REJECTS 25 PERCENT

Thomas Muckenfuss, an inspector of purchasing material in the Camden, N. J. plant of the R. C. A. Manufacturing Co., Inc., which has an active War Production Drive Committee, suggested a change in parts on a piece of essential war equipment which eliminated 25 percent of the number of rejects and saved the cost of grinding, finishing and the cost of parts bought from a subcontractor.
Germany scours occupied countries for labor

Nazi agents have been forced to scour the occupied countries for labor because Germany has been drained of all able-bodied men for war service and because the efficiency of labor has dropped because of war conditions, according to a statement issued June 17 by the Office of War Information.

Further excerpts follow:

A recent order by Himmler calls for replacing the men in provincial police stations with women, so that the men may go to the front. Radio Moscow has reported the presence of pale, hastily-trained German factory workers who have been thrown into the battle to replace shock weary troops.

Various recruitment methods

Hitler has used various methods in recruiting labor for Germany.

1. The Germans, as in Norway, order forced mobilizations of workers and load them into freight cars bound for Germany.

2. The occupation chiefs threaten to reduce food rations unless workers “voluntarily” go to Germany.

3. Occupations forces order a flat percent of workers laid off, so they can be shipped to Germany. The Swedish radio reported that the Nazis ordered 30 percent of the Norwegian workers laid off, and the Athens City Council was told to halt its public projects.

4. Nazi diplomats have concluded agreements with friendly nations to deliver workers to Germany. Radio Ankara reported that Laval agreed to send 150,000 additional workers to Germany, in return, according to the Free French, for 10,000 sick war prisoners. Several hundred thousand Italians are in Germany, and 120,000 were reported to have arrived in May. The Falangist party of Spain has encouraged workers to go to Germany. Approximately 83,000 Bulgarians are in the Reich.

5. The Nazi labor agents promise the workers higher wages, better food and special privileges. Special broadcasts paint a picture of Germany as a “labor utopia.” The Nazis, however, do not mention that all foreign workers in the Reich must pay a “worker’s tax,” which ranges from 25 to 30 percent of the wages, nor the barracks in which the workers live under the watchful eye of the Gestapo, nor the long hours of work, nor the order that factory workers must devote their free time to farm labor.

Stripped of their own labor, the occupied and dominated countries are forced into an agonized position. Radio Vichy said that without the 800,000 French peasants, prisoners of war in Germany, France was faced with famine. Hungary has been forced to mobilize girls from 14 to 60 to serve in war industries. All men between 18 and 60 in Croatia may be called up for farm work, public works, swamp draining and other manual tasks.

** "HE’S WATCHING YOU"**

Poster design prepared by Grohe for the Division of Information, Office for Emergency Management, scheduled to appear in war plants during the week. Requests for 14 x 10 inch posters and two-column mats may be addressed to the Distribution Section, Office of War Information, Washington, D.C. A limited supply of 28½ x 40 inch posters are available and requests for single copies will be filled until supplies are exhausted.

** Butadiene placed under allocation from producers **

Butadiene, basic ingredient for the manufacture of Buna-type synthetic rubber, was placed under allocation from producers June 27 by the Director of Industry Operations with the issuance of Order M-178, effective July 1.

Producers seeking to deliver and persons asking delivery of butadiene are required to make application to the Director of Industry Operations, Reference M-178. They are requested to use Form PD-33, which covers the production and shipment of all chemicals used in the manufacture of synthetic rubber.
PRIORITYs . . .

AAA now highest rating as WPB devises new high preference series

Provision for rerating war orders and for applying a new series of high preference ratings is made in Priorities Regulation No. 12, and amendments to Priorities Regulations 1 and 3, issued June 27 by the Director of Industry Operations.

AA abolished

The new ratings are AAA, AA-1, AA-2, etc., all of which will take preference over A-1-a ratings. Heretofore the highest rating has been AA, whose use was permitted only by special authorization of the Director of Industry Operations. This rating is now abolished, and all outstanding AA ratings are automatically changed to AA-2.

For urgent war materials

The chief purpose of the rerating is to permit greater flexibility in the assignment of preference ratings to definite quantities of military and related non-military items, most of which have recently been either AA or in the A-1 series. It will permit use of top ratings for a balanced program of urgent war materials without seriously disturbing the pattern of ratings for other war and essential civilian orders.

Assignment of ratings

The new high ratings may be assigned either directly by the Director of Industry Operations or by appropriate officers of Government war agencies expressly authorized to issue reratings. A special form, PD-4X, called a "Rerating Direction," is prescribed for use where the Army, Navy or other Government war agency rerates deliveries of war materials to be made directly to it.

Whenever a rerating direction is issued, it must include the Allocation Classification and Purchasers' Symbols required by Priorities Regulation No. 10.

Reratings by manufacturers

A separate form called a "Rerating Certificate," PD-4Y, is provided for use by a manufacturer whose deliveries to a war agency have been rerated, so that he may in turn rerate related deliveries to be made to him. The test for determining what deliveries may thus be rerated by a manufacturer or his suppliers is substantially the same as the test for determining to what deliveries an original rating may be applied or extended, as specified in Priorities Regulation No. 3, which was recently amended to provide a uniform standard in this respect.

A manufacturer may apply or extend the rerating to material which will be delivered by him on a rerated order, or physically incorporated in material so delivered, or to restore inventories to a practicable working minimum when material has been taken from inventory to fill a rerated order.

Other provisions

The new ratings may also be used by small companies for certain operating supplies which will be consumed in filling the rerated order, up to 10 percent of the cost of materials to be processed, provided that not more than 25 percent of such operating supplies are metals in the forms listed in Priorities Regulation No. 11. Such reratings may not be used to obtain operating supplies by any company whose use of the metals listed in Regulation 11 amounts to more than $5,000 in a quarter. Most such companies obtain ratings for their operating supplies under the production requirements plan.

Companies operating under the production requirements plan are specifically authorized, like other companies, to apply or extend the higher ratings to rerate deliveries to themselves, but may not use the ratings to obtain greater quantities of material than they are authorized to receive on their FRP Certificate (Form PD-25A) or a supplementary certificate issued upon application on Form PD-25P or PD-25H.

Displacement of rated orders

Priorities Regulation No. 1 has been amended by altering the provision with respect to displacement of rated orders by new orders bearing a higher rating. Previously, no producer was required to divert material already processed to fill an order rated A-10 or higher which was within 15 days of completion, even when he received a new order with a higher rating, unless the new rating was AA. Hereafter, this provision applies only in case the rating on the original order was higher than A-2. Such an order within 15 days of completion must be displaced only by a new order with an AAA rating, or by specific direction from the Director of Industry Operations.

In no case, however, is a company required to terminate existing production schedules in less than 15 days after receipt of a new rated order, and a company may continue on its existing production schedule up to a maximum of 40 days if change is impractical, unless specifically instructed to change the schedule by the Director of Industry Operations.

To rate items separately

Priorities Regulation No. 3 is amended to conform to the provisions of Regulation 12, and the amendments to Regulation 1. The amendment to Regulation 3 also modifies the previous provision with respect to simultaneous extension of several different ratings. Whereas previously a company having several different ratings to be extended to orders for the same material could put them all together and write one purchase order for the entire quantity, using the lowest rating for all of it, this will now be permitted only when it is not commercially practicable to rate and obtain the items separately.

VICTORY

June 30, 1942

Procedure for importing coffee contracted for prior to July 2

The WPB and the Board of Economic Warfare June 20 issued an explanation of the procedure to be followed under General Imports Order M-63 for importing coffee already contracted for or which may be contracted for prior to July 2, 1942.

Order M-63 in general prohibits the importation of coffee without prior authorization by the Director of Industry Operations of the WPB. The procedure to be followed by an applicant seeking such authorization is as follows:

He should file with the War Production Board, Washington, D. C. (Ref. M-63) in duplicate, an application for authorization on Form PD-222-c, attaching to such application a letter in duplicate certifying that the application covers a contract existing on the effective date of the inclusion of coffee under the order (July 2) and giving details concerning the contract (including date, original quantity, quantity still undelivered, price, and whether coffee is on foot or for prompt shipment or, if for future shipment, the month of scheduled shipment or availability at port.)
DYNAMIC NAMES

The Douglas Aircraft Corporation, of Santa Monica, Calif., reported to War Production Drive Headquarters that it had offered prizes for the best names for planes it is building for the Army. Among the names suggested for bombers were: Scorpion, Dingo, Diablo, Banghee, Guardsman, Bolo, Dragon, and Dominator. Prize winners will get additional prizes if the Army adopts their names.

Restrictions on copper and brass ironed out

Restrictions governing the use of copper and brass in certain civilian products were revised by an amendment to Conservation Order M-9-c announced June 20 by the Director of Industry Operations.

Permission is granted to attach and use zippers, snappers, fasteners and other copper and brass clothing findings, though none may be manufactured.

Other effects of the amendment are:
1. Watches and clocks may be assembled from parts completed prior to June 15, 1942 into cases not containing brass or copper.
2. The prohibition on use of copper and brass in manufacture of bells is lifted, under certain circumstances, to permit such use for conducting electricity.
3. The prohibition on use of copper or brass in radio manufacture is lifted to permit manufacture of replacement vacuum tubes and various special types of radio apparatus under certain circumstances.

800 new gas wells in three States authorized

Threatened curtailment of war production and essential civilian activities in Missouri, Kansas, and Oklahoma because of lack of sufficient natural gas has been averted through modification of existing conservation laws, announced June 20 by the Director of Industry Operation. Approximately 800 new wells will be allowed.

Supplementary Order M-68-2, issued by the Division, provides that in Missouri and in certain areas of Kansas and Oklahoma, the size of the unit required before drilling, completing, or providing additions to any well can be carried out will be sharply reduced from the original minimum of 640 acres. Necessary material for such work may now be obtained if the unit is 40 acres or more.

New version of laundry, cleaning equipment order issued

A reissue of General Limitation Order L-91, as amended to June 22, was announced June 25 by the Director of Industry Operations. This is the order which controls the production and distribution of laundry and dry cleaning equipment and tailors' pressing machinery.

Further changes made

The new version embodies the terms of previous amendments and itself makes certain further changes. Principal among these are the requirements that distributors, as well as manufacturers, must file monthly reports of orders, production, and shipments on Form PD-419, and the addition to the list of deliveries authorized by paragraph (b) (1) of shipments for bog-loading or other ordnance plants where the hazard is such that the machinery has been specified as necessary by the Army or Navy.

Another change adds vessels constructed for the U. S. Navy to the list of those entitled to receive the equipment controlled by L-91.

War rejects of olive drab wool waste may be used for civilians

Olive drab wool waste remnants, ends, seconds or rejects more than 1 1/4 yards long may be sold or used for civilian garments if the Army or Navy, having been offered them, rejects them. This is provided for in Amendment No. 2 to General Preference Order M-87 issued June 22. The same applies to blankets made from remnants, ends, seconds or rejects of any length.

The amendment also changes the word "wool" to "wool fiber" to make clear that the wool referred to in the order means any wool fiber rather than only new wool.

DYE QUOTA INCREASES

More of the better dyes will become available for civilian use during the third quarter of 1942 as a result of an amendment to Conservation Order M-103 issued June 26. The amendment provides civilian quotas for anthraquinone dyes for July 1 to September 30 at the rate of 70 percent of their use in 1941. The current quarter's quota is at the rate of 50 percent of last year's use.

Adjusted steel order permits metal for keys, tags, other uses

Three changes in the steel conservation order, M-126, were made June 26 by the Director of Industry Operations.

The first permits the use of iron and steel for maintenance and repair of coffee roasting machinery. This requires only a small amount of metal and was not permitted by the original order.

"Manicure implements" are eliminated from List A of M-126 as their manufacture now is covered in detail by Order L-140.

The original order prohibited the use of iron and steel in the manufacture of identification, key, name and price tags. The June 26 amendment (No. 2) permits the manufacture of tags or badges for these uses: To identify workers in governmental agencies; to identify workers in industrial plants; metal tags required by Federal or State law for livestock or poultry; and pin or wire attached tickets for price marking of soft goods.

Higher priority to enable canners to increase 1942 pack

Fruit and vegetable packers are assigned higher preference ratings for material and machinery under Amendment No. 1 to Preference Rating Order P-115, issued June 23 by the Director of Industry Operations.

The amendment will aid approximately 3,000 canneries to pack the 1942 fruit and vegetable pack, which is expected to be approximately 15 percent larger than that in 1941.

The rating for materials for repairs, maintenance and operation is raised from A-3 in the original order to A-1-J.

Civilian apricot pack cut another 10 percent

In order to make apricots available for Lend-Lease purposes without allocating additional tinplate, an additional 10 percent reduction in the civilian apricot pack was ordered by the Director of Industry Operations June 22.

This is accomplished by Amendment No. 3 to Conservation Order M-81, reducing the permitted civilian pack for 1942 from 75 percent to 65 percent of the 1940 pack.

8000 new gas wells in three States authorized

Threatened curtailment of war production and essential civilian activities in Missouri, Kansas, and Oklahoma because of lack of sufficient natural gas has been averted through modification of existing conservation laws, announced June 20 by the Director of Industry Operation. Approximately 800 new wells will be allowed.

Supplementary Order M-68-2, issued by the Division, provides that in Missouri and in certain areas of Kansas and Oklahoma, the size of the unit required before drilling, completing, or providing additions to any well can be carried out will be sharply reduced from the original minimum of 640 acres. Necessary material for such work may now be obtained if the unit is 40 acres or more.
Curb lifted on coal and coke inventories

Chemical producers are permitted to build up inventories of coal and coke by Amendment No. 2 to Preference Rating Order P-89, issued June 24 by the Director of Industry Operations. The action was taken as part of a Nation-wide drive to encourage the accumulation of fuel stocks in anticipation of shortages expected to be caused next winter by war demands on transportation facilities.

Amendment No. 2 also makes the order, and all amendments to the order, effective until revoked.

Order P-89 assigns preference ratings to chemical producers for repair, operating, and maintenance supplies. Amendment No. 2 removes the restrictions on inventories of coal and coke in conformity with General Inventory Order M-97, which permits any person to deliver or accept any amount of coal or coke, even though such delivery may be in conflict with other WPB orders, including General Priority Regulation No. 1.

* * *

All large stocks of canned beef set aside for armed forces

All large stocks of imported canned beef in the United States were frozen June 22 and made available to the armed forces.

Under order M-172 all stocks held by any person in excess of 5,000 pounds in any one place, in contiguous places, or in transit in the United States are required to be set aside for 60 days under allocation to the armed forces.

In addition, all stocks of canned beef in transit from abroad also must be set aside for the Government upon arrival at U. S. Ports, unless imported by a Government agency or under General Import Order M-63. Beginning July 2, 1942, all imports of canned beef will be licensed under M-63. It is likely that such licenses will be limited to importations for the armed forces.

Any person having a stock to be set aside must file a report with WPB on Form PD-555 by July 22.

* * *

DENTAL BUR TYPES LIMITED

The War Production Board on June 25 ordered a reduction in types and sizes of dental drills to increase production of necessary types.

This action, which will reduce the present number of types and sizes by about 50 percent, is embodied in Schedule I to Limitation Order L-139.

## PRIORITY ACTIONS *From June 17 *Through June 24

<table>
<thead>
<tr>
<th>Subject</th>
<th>Order No.</th>
<th>Related form</th>
<th>Issued</th>
<th>Expired date</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air conditioning machinery and equipment (Industrial and commercial use)</td>
<td>L-38 (Amend. 1)</td>
<td>PD-900</td>
<td>6-18-42</td>
<td></td>
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</tr>
<tr>
<td>Aircraft products; material entering into the production of</td>
<td>P-100-a (Amend. 1)</td>
<td>PD-900</td>
<td>6-17-42</td>
<td>A-1-b</td>
<td></td>
</tr>
<tr>
<td>a. Amended to permit suppliers who are not required by terms of Reg. 11 to conform under WPB to extend ratings for purposes of filling purchase orders of producers rated under L-139-a, even after the orders have expired.</td>
<td>P-100-a</td>
<td>6-17-42</td>
<td>A-1-a</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Amended with P-100-a</td>
<td>P-100-a</td>
<td>6-17-42</td>
<td>A-1-a</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Aeronautics | |
| a. Circumstances under which asbestos asbestos may be used are changed in several respects. | M-79 as amend. | 6-16-42 | | |
| Canning fruits and vegetables | P-115 Amended | 6-15-42 | | |
| a. Assigns higher preference rating to fruit and vegetable packers. | M-175 | | 6-16-42 | A-10 | |
| Cellulose, (ethyl) | M-170 | 6-16-42 | A-12 | |
| Chemicals (production of maximum, repair, and operating supplies): | P-39 | 6-21-42 | Until revoked. | A-1-c | |
| a. Chemical producers permitted to build up inventories of coal and coke. | M-63 as amend. | 6-14-42 | | |
| Copper (certain use in certain items): | M-13-2 | 6-17-42 | Until revoked. | A-1-c | |
| a. Use of nozzles, snappers, fasteners and other copper and brass clothing findings permitted but none may be manufactured. | M-24 as amend. | 6-16-42 | Until revoked. | A-1-c | |
| a. Effective June 25—permits delivery of cadmium to distributors and to users only upon specific authorization. | M-118 as amend. | PD-246 | 6-15-42 | | |
| a. Amended to permit suppliers who are not required by terms of Reg. 11 to conform under WPB to extend ratings for purposes of filling purchase orders of producers rated under L-139-a, even after the orders have expired. | M-118-a | 6-17-42 | A-1-b | |
| a. Effective June 25—permits delivery of cadmium to distributors and to users only upon specific authorization. | M-118-a | 6-17-42 | A-1-b | |
| b. Amended with P-100-a | P-100-a | 6-17-42 | A-1-b | |

| Farm machinery and equipment and attachments and repair parts therefor: | L-26 (amend. 6) | PD-157 | 6-20-42 | | |
| Farm machinery and equipment and attachments and repair parts therefor: | L-26 (amend. 6) | PD-157 | 6-20-42 | | |
| a. Permits manufacturers of wooden boxes. | M-118 as amend. | PD-246 | 6-16-42 | | |
| b. Several million pounds of honey made available to manufacturers, but still subject to quotas restrictions. | M-172 | 6-22-42 | 10-1-42 | |
| c. All large stocks of imported canned beef fruited and made available to armed forces. | M-172 | 6-22-42 | 10-1-42 | |
| Iron and steel scrap | M-24 | 6-17-42 | | |
| a. Mandates segregation of alloy steel scrap ordered by WPB. Sets up clarification of alloy steels. | M-151 as amend. | PD-100 | 6-20-42 | | |
| Laundry equipment, dry cleaning equipment and other equipment: | L-94 as amend. | PD-74 | 6-21-42 | | |
| a. Revokes provisions which exempted several million pounds of alloy steels. | L-94 as amend. | PD-74 | 6-21-42 | | |
| Leather, sole | M-90 as amend. | PD-170 | 6-19-42 | | |
| a. Permits use of frozen stocks of heavy shoe sole leather, and purchase of similar quality leather that dealer had on hand on May 22, 1942. | M-90 as amend. | PD-170 | 6-19-42 | | |
| Nickel: | M-5 as amend. | PD-170 | 6-19-42 | | |
| a. Amended to conform to new alloy steel scrap segregation regulation, M-24-c. | M-5 as amend. | PD-170 | 6-19-42 | | |
| Petroleum (production, transportation, refining and marketing): | PD-170 | 6-19-42 | | |
| a. Extends provisions of P-8 to the Canadians. | PD-98 (Amend. 3) | PD-170 | 6-19-42 | | |
| b. Material conservation: | M-68-2 | 6-23-42 | | |
| 1. Allows for drilling of approximately 500 new wells in Missouri, Kansas, and Oklahoma. | M-68-2 | 6-23-42 | | |
| P-08 | 6-19-42 | A-3 | |
| Power, steam and water auxiliary equipment: | L-154 | 6-17-42 | | |
| a. Use of critical materials in mfr. of water meters sharply curtailed. | L-154 | 6-17-42 | | |
| Quinoline, and other drugs extracted from cinchona bark | L-139 as amend. | PD-101 | 6-19-42 | | |
| a. Revokes provisions which exempted quinoline or quinoline stocks of less than 50 cans from sales restrictions of the order. | L-139 as amend. | PD-101 | 6-19-42 | | |
| b. Prohibits sale of any amount of cinchona, quinoline or cinchonine for other than anti-malarial purposes. | L-139 as amend. | PD-101 | 6-19-42 | | |
| Railroad maintenance, repair and operating supplies (materials entering into) | P-38 Amend. 1 | 6-17-42 | A-3-i | |
Rubber and products and material of which rubber is a component:

<table>
<thead>
<tr>
<th>Subj ect</th>
<th>Order No.</th>
<th>Related form</th>
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<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Prohibits importation of rubber and rubber products including bales, except by subsidiaries of the RFC.</td>
<td>M-15-b Amend. 10</td>
<td></td>
<td>6-19-42</td>
<td></td>
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<tr>
<td>b. Supplies inventory:</td>
<td>L-117</td>
<td></td>
<td>6-18-42</td>
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</tr>
<tr>
<td>c. Use of elastic fabric in the mfr. of nylux belts and supports restricted.</td>
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<tr>
<td>d. Exception No. 5 releases from restriction of L-68 large group of noncritical building materials.</td>
<td>L-68 Exemption No. 5</td>
<td></td>
<td>6-22-42</td>
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<tr>
<td>Suppliers inventory:</td>
<td>A</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>e. Tools:</td>
<td>E-1-c</td>
<td></td>
<td>6-14-42</td>
<td></td>
<td>A-1-a</td>
</tr>
<tr>
<td>f. Interpretation regarding production and delivery of machine tools.</td>
<td>E-1-b Int. 1</td>
<td></td>
<td>6-14-42</td>
<td></td>
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</tr>
<tr>
<td>h. Order extended.</td>
<td>M-33-a amended</td>
<td></td>
<td>6-19-42</td>
<td></td>
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<tr>
<td>i. Molten and delivery of any amount over 30 pounds per month placed under [6-22-42]</td>
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<td></td>
</tr>
<tr>
<td>j. Wool (O. D. clips, O. D. wool rags and O. D. wool wastes):</td>
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</tr>
<tr>
<td>k. Provides for sale of garments which Army and Navy reject.</td>
<td>M-47 Amend. 2</td>
<td></td>
<td>6-22-42</td>
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</tr>
</tbody>
</table>

PRIORITY REGULATIONS

<table>
<thead>
<tr>
<th>Number</th>
<th>Subject</th>
<th>Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior. Reg. No. II Amend. 1</td>
<td>Operators of metal mills partially excluded from use of the FRP. Metal mills which do not buy more than $8,000 worth of metal in a quarter for processes into forms not included in the metal list of Priorities Reg. No. 11, and for maintenance and repair are not required to apply under the FRP, but may continue to receive and extend ratings as they have in the past. Amendment to clarify the interim procedure to be followed by companies which have not yet received a FRP certificate, and to redefine the permissible use of ratings by companies already operating under FRP.</td>
<td>6-19-42</td>
</tr>
<tr>
<td>Prior. Reg. No. II Amend. 2</td>
<td>Noncritical building materials lifted from L-63 curb</td>
<td>6-22-42</td>
</tr>
</tbody>
</table>

Compliance branch begins audits under PRP

Continuous audit of a large segment of American industry will be inaugurated by the War Production Board on July 1, when the compliance branch will commence successive surveys of the records of manufacturers operating under the Production Requirements Plan.

Some 9,000 companies have elected to take advantage of PRP since the establishment last December of this over-all method of extending priority assistance. Beginning July 1, it is expected that this number will be doubled as a consequence of the mandatory provisions of Priorities Regulation No. 11, which requires that all manufacturing users of metals in excess of $5,000 worth per calendar quarter file FRP applications not later than June 30.

WPB's compliance branch has enlisted the aid of the field investigation staff of the Wage and Hour Division of the Department of Labor in its program. Field work will be directed by the eight regional compliance chiefs, and accountants' reports of audits will be reviewed by analysts on their staffs.

More wooden beehives allowed under modified farm order

Beekeepers of the United States, called upon by the Government to increase honey production to assist in offsetting shortages of sugar and beeswax, will benefit by the terms of an amendment to the farm machinery and equipment order, announced June 22 by the Director of Industry Operations. Amendment 4 to Limitation Order L-26 authorizes a substantial increase in the output of wooden beehives. Previously permitted production of all beekeepers' supplies was 100 percent of 1940 output. This is now altered to allow manufacture of 133 percent of the hives produced during the base period, provided these to be made are of wooden construction. Production of metal hives is still subject to the terms of the original order.

Another provision of the amendment permits the production of belt-driven, but not electric, irrigation turbine pumps of 1,200 gallons per minute capacity, and larger, in sufficient quantities to fill orders rated A-9 or better. Previously, production of any turbine pumps of these sizes was prohibited.

Noncritical building materials

A large group of slow-moving, noncritical building materials is specifically released from the restrictions imposed by Suppliers' Inventory Limitation Order L-63, under the terms of Exemption No. 5 to the order, issued June 23 by the Division of Industry Operations.

Dealers holding stocks of the following materials need no longer include them in the records and reports called for by L-63, although they remain subject to the inventory restrictions of Priorities Regulation No. 11:

- Portland and natural cement, lime, gypsum and gypsum products, bituminous roofing materials, concrete pipe, cut stone, sand and gravel, crushed stone, clay products, insulation board, acoustical materials, mineral wool, paving materials, concrete products, glass, lumber, wooden millwork.

WPB asks fewer furniture fairs

The War Production Board on June 23 asked the furniture industry to hold only one instead of four markets each year to reduce unnecessary travel.
Utility extensions to war housing units get same preference ratings as projects

The WPB acted June 24 to expedite the extension of utility services, such as electricity, gas and water, to thousands of war housing units throughout the country.

Approval of applications decentralized

Under an amendment to P-46, utility extensions to housing projects are assigned the same preference ratings as are assigned to the housing projects themselves. Heretofore extensions to housing projects were specifically excluded from the automatic rating assigned by P-46. In order to facilitate the use of the preference rating, new procedures have been developed under which utility applications for housing extensions will be reviewed in the field and will be processed simultaneously with the housing project application.

Strict standards for use of materials

Materials needed for such extensions will be made available as far as possible from the inventories of the utility companies themselves. A catalog listing excess stocks has been compiled by the WPB power branch and has been sent to all utilities. To make certain that these materials will go as far as possible, the power branch has prepared strict standards for the use of scarce materials.

The new plan has been worked out by the power branch of the WPB in collaboration with the Board's housing priorities branch and Federal housing agencies.

Motion picture producers tell plans of saving critical items

Motion picture producers advised the WPB at an industry advisory committee meeting in Washington June 23 that it is taking to save critical materials in the production of motion pictures.

Conservation efforts have been directed chiefly toward reducing the amount of film used by elimination of waste and revision of certain technical practices, and reducing the quantity of materials used in the construction of sets.

The same chemicals that go into the production of films also go into the manufacture of munitions. A WPB representative told the committee that the situation in regard to some of the chemicals used in films will become even tighter than at present, calling for utmost conservation on the part of producers.

Industry takes steps to push production of heat exchangers

Steps were taken June 25 by the newly organized heat exchanger industry advisory committee to seek facilities capable of producing $200,000,000 worth of heat exchangers needed in the war program before July 1, 1943.

Critically needed

During 1941 the industry, comprising 53 companies, produced heat exchangers valued at $80,000,000. It is estimated that present facilities can produce only about $80,000,000 worth in the required time, leaving a deficit of approximately $120,000,000.

Heat exchangers—condensers, coolers, feed water heaters and other such equipment—are critically needed for the manufacture of chemicals for explosives, synthetic rubber, aviation gasoline and other petroleum products and for land and ship power plants.

William K. Frank was Government presiding officer at the meeting. James B. Forbes, on leave as district sales manager for heat exchangers of the American Locomotive Co., of Chicago, has been appointed chief of the recently organized heat exchanger and equipment section of the WPB.

Production of heavy truck trailers halted except for war

The WPB has ordered a halt to production, effective July 1, of commercial-type truck trailers for nonmilitary use.

After the end of this month, no manufacturer will be permitted to produce any truck trailers having a load-carrying capacity of 10,000 pounds or more, except for the Army and Navy, certain designated Government agencies, governments of the United Nations and for deliveries under the Lend-Lease Act.

Buses removed from L-1 series

The stop-production order covering commercial-type truck trailers is contained in Supplementary Limitation Order L-9, which also removes buses from the terms of orders in the L-1 series. Buses are now covered by General Limitation Order L-101, which is administered by WPB's transportation equipment branch. Order L-101 was issued May 21, and the transfer of buses from orders in the L-1 series is simply a formality.

Pulp and paper policies to be explained at general meetings

The pulp and paper branch of the WPB June 24 announced that two general meetings were to be held this week to inform the industry of the policies and the work of the branch.

One meeting was scheduled July 1, in New York City, and the second on July 2, at Chicago.

1,957 vehicles released in week

The automotive branch announced June 22 that during the week ended June 20, it released 1,957 trucks, truck trailers and miscellaneous vehicles to civilian users and holders of Government exemption permits.
Restrictions on paper and ilmenite inventories lifted

Paper, paperboard, paper products, waste paper, and ilmenite, which is a source of titanium pigments, have been removed from the inventory restrictions of Priorities Regulation No. 1 and all other WPB orders by amendments to General Inventory Order M-161, issued June 26 by the Director of Industry Operations.

The action on paper and paper products was taken to permit building up inventories in anticipation of a transportation shortage next fall and winter.

Restrictions on ilmenite are unnecessary because the National Lead Company's new development at Tahawus, New York, is expected to produce all that is needed in the United States.

Curb in two petroleum orders doesn't apply to Canadian firms

Two orders providing for conservation of materials in the production and marketing of petroleum and petroleum products were amended June 25 by the Director of Industry Operations to restrict their application to the United States, its territories and possessions.

This action was taken to make it clear that the restrictions continued in orders M-68 and M-68-c do not apply to Canadian oil companies to which priority assistance has been extended by a recent amendment to the Preference Rating Order P-98. Application of the ratings by Canadian companies will be subject to Canadian government restrictions.

Monthly clove quotas raised

Monthly clove quotas for food processors, manufacturers of medicines and clove packers June 25 were increased by one-third, and for other manufacturers and wholesale receivers they were doubled.

The increases, which are the result of large supplies of cloves built up by greater imports during recent months, are granted by Amendment No. 1 to Supplementary Order M-127-a. Under the amendment, the new quota for any industrial receiver is 190 percent of the average monthly amount of cloves he used in the corresponding quarter of 1941.

New industry advisory committees

The Bureau of Industry Advisory Committees, WPB, has announced the formation of the following new industry advisory committees:

**FIBER DRUM INDUSTRY**


Members:


**FIN COIL & COOLER INDUSTRY**

Government presiding officer—A. H. Baer, air conditioning and commercial refrigeration branch.

Members:


**HEAT EXCHANGER INDUSTRY**

Government presiding officer—William K. Frank, chief, resources protection board.

Members:


**LIVESTOCK EQUIPMENT MANUFACTURERS INDUSTRY**

Government presiding officer—William R. Tracy, chief, farm machinery and equipment branch.

Members:


**MOTION PICTURE THEATRE EQUIPMENT MANUFACTURERS INDUSTRY**

Government presiding officer—Harold C. Hopper, head of motion picture and photographic section.

Members:


**POWER CRANE AND SHOVEL INDUSTRY**

Government presiding officer—Joseph F. Ryan, chief of the construction machinery branch.


**ZINC PRODUCERS INDUSTRY**

Government presiding officer—George C. Helkies, chief of the zinc branch.

TRANSPORTATION...

Motor transport units would move troops, civilians in emergency, under joint plan

The Office of Civilian Defense and the Office of Defense Transportation are cooperating in a plan for the organization of motor transport units in various parts of the country to facilitate the movement of troops and civilians in event of emergency, it was announced June 24.

24 trucks in a unit

ODT has sent letters to the large transportation companies explaining the purposes of the plan. Each letter was accompanied by an application blank and tables of organization for use of companies desiring to participate.

Each unit would consist of 24 trucks or buses capable of transporting 40 passengers each. Depending on local conditions, each unit may also include a five-passenger automobile, a service truck, a tank truck, and a light pick-up truck.

The letter sent out to the transportation companies states:

The primary function of the motor transport units will be to serve the needs, if they should arise, of the War Department for the movement of troops and of the Office of Civilian Defense for evacuation or other civilian protection purposes. The Office of Defense Transportation, through its local offices, will exercise control over allotment or assignment of such motor transport units.

To be paid for actual use

The plan is based on an agreement among the War Department, the Navy Department, the ODT, and the OCD. Motor transport units already organized or in the process of being organized under the auspices of military or other authorities are expected to be incorporated into the new program.

Companies joining in the program will be compensated by the Federal Government to the extent their equipment actually is used in emergency transportation. The companies themselves will be expected to bear the cost of organizing the units and training personnel.

A representative of the OCD will assist the companies in perfecting organization of the units. It also is expected that a representative of each company will have the opportunity to attend a training course sponsored by the OCD.

Voluntary plans for saving milk trucks, tires cleared by ODT and Justice

Several voluntary plans for the conservation of milk trucks and tires have been cleared by the ODT, and the Department of Justice.

Estimated mileage reductions in several of the plans went beyond the 25 per cent required by General ODT No. 6, which also prohibits special deliveries, call backs, and more than one delivery a day to the same person.

Cities or areas affected and the number of dealers involved in plans thus far approved include:

Washington, D. C., six dealers; Indianapolis, Ind., 19 dealers; Lackawanna and Susquehanna Counties, Pennsylvania, 38 dealers; Detroit, Mich., 15 dealers; Madison, Wis., six dealers; Flint, Mich., nine dealers; New York-New Jersey Metropolitan District, 97 dealers, and Niagara Frontier Milk Distributors, representing 51 dealers in and around Buffalo, New York.

“Frustrated” freight may be moved from U. S. ports at once under general order

Defense Transportation Director Eastman, June 27 issued a general order which makes it possible for ODT to remove from United States ports any freight cargo when necessary to assure expeditious movement of troops and war materials.

The order (General Order No. 12) makes it possible to relieve certain ports of cargoes on hand, or in storage, many of which were destined for foreign ports at the time of the enemy occupation of those ports.

Insistence of the order does not imply that there exists any serious port congestion, ODT officials said. The fact remains, they added, that certain of this so-called “frustrated” freight occupies needed cars, ground, and warehouse space while it awaits final disposition.

“KEEP 'EM ROLLING” DRIVE LAUNCHED BY ODT

With “Keep ‘em Rolling” as the rallying call, the ODT has launched one of its major campaigns—organization of a U. S. Truck Conservation Corps designed to assure the continued and uninterrupted flow of the material of war and the necessities of civilian life.

A booklet entitled, “America’s Trucks—Keep ‘em Rolling,” has been prepared by the vehicle maintenance section of the division of motor transport explaining in detail the basic rules which should be followed by every truck operator and maintenance man during the emergency.

* * *

APPEAL BOARD NAMED

The ODT June 22 announced the appointment of another local appeal board to pass on appeals taken by persons who have been refused permission by ODT local allocation officers to purchase new trucks.

The new board will serve District No. 7—Tennessee, Kentucky, and Mississippi—with headquarters at Nashville, Tenn.

Personnel of three more local appeal boards was announced June 24 by the ODT.

Areas they will serve follow:

District No. 10.—Nebraska, Kansas, Iowa, and Missouri; headquarters at Kansas City, Mo.

District No. 13.—Wyoming, Colorado, and New Mexico; headquarters at Denver, Colo.

District No. 16.—Southern California and Arizona; headquarters at Los Angeles, Calif.

* * *

STAFF APPOINTMENTS

Four appointments to the staff of the division of railway transport were announced June 23 by ODT Director Eastman.

C. T. Kenney, of Cedar Rapids, Iowa, was made supervisor of rail terminals, at Seattle, Wash.

William E. Curley, of Chicago, was named supervisor of rail terminals at Chicago.

Shannon Kuhn, of Cleveland, Ohio, was named locomotive assistant in the mechanical section, to specialize in locomotive repair problems.

Frank J. Swanson, of Oak Park, Ill., was named service representative in the mechanical section, and will visit car builders and railway shops to aid in facilitating car building and repair.
Labor policy committee set up to help formulate price, rent, rationing policies

Creation of a labor policy committee in the OPA composed of representatives of the AFL, the CIO, and the Railway Labor Organizations was announced June 27 by Administrator Henderson.

Composed of three members from each of the labor groups, the committee will work with Mr. Henderson and other OPA officials in the formulation of price, rent, and rationing policies of interest to labor. The first meeting of the committee was held on June 25, and was devoted to an introductory discussion of OPA problems.

Committee members

Members of the committee include:

AFL—J. M. Ornburn, secretary-treasurer of the Union Label Trades Department; Frank P. Pento, director of organization; and Boris Shilskin, economist.

CIO—Emil Rieve, president of the Textile Workers Union; Sherman Dalrymple, president of the National Maritime Union. All three CIO members are vice presidents of the parent organization.


"We look forward to a relationship of great importance to the OPA program," Mr. Henderson said. "Organized labor has a lot to contribute to the protection of the consumer interests and living standards during this period of decreasing consumer goods production. It won't be an easy job. I am glad to have this opportunity to deal directly with organized labor on all matters in which we have a joint interest. I hope that as a result of this relationship we shall not only be able to protect workers' interests as consumers but also to preserve and extend the legitimate aspirations of trade unionism."

The new committee will be assisted in carrying on its work by the staff of the recently established Labor Office in OPA and by staff members of the three organizations represented.

RATIONALING... New gas plan opening shifted to July 22; OCD enlists in drive to form car clubs

The Office of Price Administration last week postponed until July 22 the date for the inauguration of the permanent gasoline rationing system on the Atlantic Seaboard to give motorists an additional week to form car-sharing clubs as the OPA provided. The Office of Civilian Defense offered its facilities to bring automobile owners together.

At the same time OPA shifted the registration dates for obtaining basic "A" books for motor cars, "D" books for motorcycles and other special books to July 9, 10, and 11 in the public schools. Holders of the present "A," "B-1," "B-2," and "B-3" cards were allotted an additional ration of gasoline to get them through to July 22.

Coupon good for 4 gallons

Announcement of the regulations under which the permanent system will operate disclosed that each coupon in the new books will be valued at 4 gallons each but will be subject to change as the Eastern oil supply ebbs and flows. Every automobile owner is entitled to an "A" card regardless of his driving needs. It carries 48 coupons or enough to allow 2,880 miles of driving annually on the basis of 15 miles to the gallon. Eighteen hundred miles of this is earmarked for occupational use and the remainder 1,080 miles for miscellaneous household use.

Extra rations for car-poolers

To obtain a supplementary "B" or "C" book, the motorist must prove that his driving needs are in excess of 1,800 miles annually and that he is carrying three or more persons to work as a member of a car-sharing club; or that he has tried to form such a club and failed and that there are no adequate means of public transportation open to him. If he meets these requirements, he will be given additional rations tailored to fit his exact needs.

Local defense councils asked to help

James M. Landis, director of OCD, tendered the service of the 3,000 local defense councils in the rationed area in the campaign to form car-sharing clubs. Each council was asked to enlist service clubs, civic organizations and patriotic groups in matching up drivers with empty space in their cars and war workers in need of a ride. Business and factory executives will be urged to persuade employees living in the same neighborhood to ride together. District centers will be set up for the registration and organization of the clubs in every community.

War chiefs call for cooperation

To lend emphasis to his plan, Mr. Landis made public an open letter from Secretaries Stimson, Knox and Ickes, War Production Chief Nelson, Price Administrator Henderson and Transportation Director Eastman calling on all motorists to get behind the effort in order to save gasoline and rubber.

"We ask you to give your fullest cooperation to this car-sharing plan," the letter said. "It becomes one more direct way in which you, every one of you, can help to win this war."

Gasoline dealers may favor certain classes of consumers if supply unequal to demand

Dealers whose gasoline supply is not sufficient to meet all consumer demands may give preference to cars of defense workers, trucks and ambulances under provisions of an amendment No. 6 to the emergency gasoline rationing regulations, announced June 24 by the OPA.

As a condition for showing preference to one or more of the classes of consumers mentioned in the order, a dealer will be required to post a notice of his intention to do so. The notice shall specify which class or classes of consumers are to be preferred. A copy of the notice must be mailed to the State OPA office in the State where the dealer's establishment is located.

The amendment, which revises a section of the regulations requiring that a dealer shall not discriminate among consumers legally entitled to gasoline, specifies that by "defense worker" is meant a worker (including an executive, technician or office worker) employed at (1) naval, military or hospital establishments; (2) public utilities plants, including establishments operating public transportation and communication systems; (3) plants engaged in the production of machines, munitions and other materials used in the war.
AGRICULTURE...

Dried fruit buying program for West Coast expected to encourage maximum output

The Department of Agriculture has announced the prices to be paid West Coast growers of dried peaches, apricots, pears, and apples in connection with the Department's program to encourage an adequate pack of dried fruits to meet the increasing demands of the armed forces, Lend-Lease shipments, and civilian consumers.

AMA purchases to support prices

The Department's dried fruit purchase program for the West Coast, announced June 9, provides that announced grower prices will be supported through purchases by the Agricultural Marketing Administration, and that processors would be requested to reserve a part of their 1942 pack for Government purchase.

Grower prices to be paid by the AMA for the four natural condition dried fruits will average, roughly, per ton: Peaches, $280; apricots, $340; pears, $220; and apples, $260. Rough average prices for the two other major dried fruits produced on the West Coast, announced earlier, are raisins, $105 per ton, and prunes, $135.

Processors will probably be requested to reserve the following percentages of their 1942 pack of each dried fruit for Government purchase: Apples and pears, 70 to 75 percent; peaches, 45 to 50 percent; apricots, 50 to 55 percent; and raisins and prunes, 40 to 45 percent. Definite percentages will be announced later.

With a capacity production of dried fruits needed this coming year, these grower prices are expected to encourage maximum output of the dried fruits, and also insure a proper relationship between the prices received by growers and processors. Purchases from processors will be made at prices in line with those received by growers plus a reasonable margin for handling, processing, packing and shipping.

Over $154,404,000 in farm products bought in May

Farm products costing more than $154,404,000 were bought in May by the U. S. Department of Agriculture under the general buying program for Lend-Lease and other needs, the Department reports.

For Lend-Lease, other needs

While this was less than April's high mark of $193,893,000, it was the second highest for any month since the program started March 15, 1941. The decline was attributed largely to seasonal factors.

Total value of all farm products bought for Lend-Lease shipment and other distribution needs for the 14½-month period ending May 30 approximated $1,225,660,315.

During May, meat again led the list of commodities bought, although the volume dropped from previous totals. Particularly heavy purchases were made of canned and cured pork, frozen pork loin, lard, dried eggs, dry skim milk, cheese, dry beans, corn starch, processed strawberries, and salad oil.

Sugar studies to determine possible ration increase

Further studies of the sugar situation to determine whether prospects for our future supplies will now make possible a moderate increase in the sugar ration, are being made by the OPA.

While final decision on any increase will depend principally upon prospects for shipments of sugar from Puerto Rico and Cuba during the coming 6 months, the decision will also be influenced by additional information which is now becoming available on actual distribution under rationing.

OPA officials stated flatly that the stocks of sugar now on hand in the United States, even though somewhat greater than they had been able to count on, do not themselves justify any increase in the ration. They declared that the invisible supply in the hands of consumers and others today is 50 percent less than a year ago; that stocks held by primary distributors are 20 percent below last year's, and that the total sugar stocks on hand in the country are one-third less than we had at this time in 1941.

Farm labor problem will be more difficult next year than this, Wickard warns

The problem of farm labor will be more difficult next year than this, although hardships have been faced in some areas this year, Secretary of Agriculture Claude R. Wickard warned in a radio broadcast June 19 on the National Farm and Home Hour.

"By then, farm machinery may be even more difficult to get than it is now and we will need more manpower to keep farm production high," he said. "At the same time the Army will need more men, and so will war factories. Then, we'll have to make good use of every person we learn this year."

Pointing out that labor problems are different in different areas, Wickard expressed the belief that, despite difficulties at some points, "most farmers can get by this year. In many sections plenty of help still is available. Average figures for the whole country show that there is enough farm labor to go around."

If insufficient first-class farm hands are to be found, the Secretary advised turning to other sources of help, such as farmers who have small farms and can spare some extra time, farm-bred boys who work in country towns and can give some extra time, farm women and home-school and college boys, white collar workers willing to assist in farm work on their vacations, and women in land army organizations.

The Secretary also suggested higher wages might be necessary in areas where they remain low both as a means of getting more farm workers and to make for a sounder agriculture in the long run.

Ice dealers get relief

Steps to permit price adjustments to retail sellers of ice in certain areas—where a dealer is the sole practical source of ice and where continued operations at unprofitable ceiling figures would result in a cutting off of supplies—were provided June 26 by Price Administrator Leon Henderson in Amendment No. 2 to Maximum Price Regulation No. 154 (Ice). The new amendment was effective June 30.
NEW EQUATION TABLES grow out of the war. This is the second in a series of “FOTOFACTS.” Two-column mats are available for publication. Requests should be addressed to Distribution Section, Office of War Information, Washington, D.C. In ordering, refer to V-43.

Solvents can be reclaimed 50 percent for further use, says salvage chief

Millions of gallons of valuable chemical solvents and oils which are now being discarded can be reclaimed for further production purposes, it was said June 23 by S. Donald Perlman, salvage director for the chemical and textile industries of the industrial salvage section of the Bureau of Industrial Conservation.

“Contacts and conferences with business firms engaged in the reclamation and recovery of commercial solvents,” said Mr. Perlman, “indicate that they have facilities available for increasing by 50 to 75 percent the amount of solvent reclamation now going on in the country. Salvage of dirty, contaminated solvents so that they can be used again in industrial processes and channelled into war production is a problem to which every commercial user of solvents and oils should pay attention. We cannot afford to waste precious chemical resources.”

War workers may become eligible for Grade II tires by new plan

An amendment to the tire rationing regulations that makes war workers eligible for third, fourth, and fifth line new tires under restrictive conditions and simultaneously provides a system designed to make each tire deliver the utmost in essential transportation was announced June 21 by Price Administrator Henderson.

Must present statement from plant committee

Amendment No. 16 to the Revised Tire Rationing Regulations sets up a procedure under which an employee of an establishment essential to the war effort and employing more than 100 workers must present to his local War Price and Rationing Board a statement from a committee set up in his own plant, showing that he needs tires and has agreed to make maximum use of them in carrying other employees to and from work.

The amendment also provides that a war worker whose eligibility is thus established may be granted a certificate to buy a new Grade II tire—third, fourth, and fifth lines fall with it in this classification—when the casings on his car are unfit for recapping. War workers heretofore have been eligible only for recapped casings or recapping services.

Effective July 15

To give all establishments affected by the plan time to set up the certifying committees and make arrangements for the requisite maximum use of cars, the amendment will not be put into effect until July 15.

The committee set up in a war production establishment will be required to certify to the local board that an applicant for a tire purchase certificate:

1. Is not a temporary or transient worker;
2. Has no other practicable means of transportation available to him; or that, using another means, he would have to spend more than one hour in getting to work or returning to his residence;
3. Resides at least two miles from his place of employment; and
4. Regularly carries with him at least three other workers of the establishment, none of whom lives less than two miles from his work. If the vehicle is of less than four-passenger capacity, the committee is required only to certify that it is used to capacity. Moreover, the committee may certify a vehicle whose driver is unable to get a full load because his residence is remote from that of others who might ride with him, or whose working shifts do not coincide.
Selective Service boards to segregate registrants into broad induction groups

Emphasizing that "the national interest requires that all calls to meet the manpower requirements of the armed forces be filled on schedule," National Headquarters, Selective Service System, June 29 advised its agencies that insofar as is practical in meeting these calls local boards would segregate registrants into four broad categories from which men may be called for service.

New policy set-up

The announcement by National Headquarters, made coincident with the signing by the President of the bill recently adopted by Congress which provides family allowances for dependents of enlisted men in the armed forces, sets up a new policy under which registrants will be selected for induction from categories in the following order:

Category 1. Registrants otherwise qualified for military service who have no bona fide financial dependents.

Category 2. Registrants otherwise qualified for military service who have financial dependents other than wives or children mentioned in categories 3 or 4.

Category 3. Registrants otherwise qualified for military service who have wives with whom they are maintaining a bona fide family relationship in their homes and who were married prior to December 8, 1941, and at a time when induction was not imminent.

Category 4. Registrants otherwise qualified for military service who have wives and children, or children alone, with whom they maintain a bona fide family relationship in their homes who were married prior to December 8, 1941, and at a time when induction was not imminent.

While setting up the four broad categories, National Headquarters made it emphasize that they do not provide for the permanent deferment of men with dependents but rather provide the order in which registrants with dependents will be inducted.

Local boards will continue to review the facts in each case of each individual, National Headquarters said, adding that in the selection of registrants for induction from any of the four categories the "full facts in each individual case shall be considered, and the local board, subject to the usual appeals, must judge whether or not there are sufficient unusual circumstances to justify a departure from the general rule of priority of induction."

That wrist motion won't be so important in cooking from now on, WPB remarks

The can opener will no longer be the most important utensil in American kitchens if the suggestions made by the Bureau of Industrial Conservation to save tin now used in cans are carried out on a Nation-wide scale. War production demands upon this critical metal already exceed prospective supply.

Tin cans will not be entirely eliminated from the household scene, but there will be fewer of them, and they will be of larger, metal-saving sizes. Tin plate must be conserved for packing large quantities of fresh fruits and vegetables to be consumed by the fighting men of America's Army and Navy.

Substitute containers urged

Food packers and processors and the manufacturers of containers in which food usually comes to the pantry shelf are being asked by the bureau to eliminate metal containers, especially tin cans. Paper, cardboard, corrugated paper containers, wooden boxes, pails, barrels and glass containers should be more generally used for holding and shipping foods. Certain products requiring metal containers but not necessarily tin surfaces to keep them from deteriorating, will be packed in tin-lined black plate cans. No health hazards will result from these conservation practices and there will be plenty of food to go around.

The bureau points out that the housewife will help conserve the Nation's supply of tin by following these suggestions:

1. Order and eat perishable fruits and vegetables in season.

2. Make use of your cellar for storing foods that can be preserved in a dry, cool place for considerable periods of time. Take a leaf out of grandmother's book and lay in a supply of apples, potatoes, pumpkin, squash, carrots, beets, cabbage, cauliflower, onions, pears, ripe peaches, and beans.

3. Do your own home packing, making use of glass jars. Almost any food that comes in a tin can may also be packed in the housewife in a glass jar. An adequate supply of rubber sealing rings is assured for this purpose.

4. Use sun-cured, dried and dehydrated foods. Excellent dishes can be prepared with dried apples, peaches, apricots, prunes, peas, peas, and beans.

5. Plan to put up store, and buy foods that can be successfully preserved in eachern coles, wooden padd and large glass jars. Such items are peaches, sauerkraut, olives, spiced and picked fruits, and green tomatoes.

Alien Property Custodian seizes 750 more patents

The office of Leo T. Crowley, Alien Property Custodian, has seized an additional group of more than 750 enemy-owned patents and copyrights, among them about 260 patents of I. G. Farben-Industrie not previously vested. Included were patents owned by Japanese, Italians, and Hungarians.

The patents cover a automatic drill and rivetor for use in aircraft construction, a conveyor already widely used in American coal mines, certain processes in oil refining, and chemicals, including adrenalin compound and chlorinated rubber.

Vesting orders covered the seizure of control of the J. M. Lehmann Co., manufacturers of machinery used in the ink and paint industries. The seizure eliminated all barriers to immediate conversion of the company's plant to war production.

Also seized was the interest of German nationals in the estate of Armin von Zedlitz, who organized a personal holding company to control about $2,500,000 of improved New York City real estate.

A new order by the Alien Property Custodian requires all persons claiming any interest in patents or patent applications now or formerly owned by nationals of designated foreign countries to report their interest, including any license agreement or claims of ownership, on Form APC-2 by August 15, 1942.

WELL-KNOWN ARTISTS WILL DRAW FOR YOUR PAPER OR MAGAZINE

VICTORY PRESENTS, on facing page, a seventh group of 4 drawings by well-known American artists who have volunteered their talents to help emphasize, in their own medium, matters vital to winning the war. Victory will print four drawings by these and other artists each week. Permission to reprint is hereby granted. Mats in two-column size (larger than appears here) are available weekly. Requests to be put on the mailing list regularly, or for individual mats should be addressed to Distribution Section, Office of War Information, Washington, D.C.

(In individual orders for the four drawings displayed this week, please refer to the serial numbers printed on the drawings.)
"Not only a firebug, Sergeant—he uses GASOLINE."
—Drawn for Division of Information, O. E. M.

"Before I sell you this, I want to know if you are in this for patriotism or because you're getting rich at it."
—Drawn for Division of Information, O. E. M.

"You'll have to come to it sooner or later, Melvin."
—Drawn for Division of Information, O. E. M.
U. S. speeds rubber-tapping equipment for other American republics

United States Government agencies in collaboration with the other Americas are planning for one of the biggest equipment tasks of the war—the outfitting of thousands of rubber tappers to collect wild rubber in the forests of South and Central America, according to information received from the office of the Coordinator of Inter-American Affairs.

Excerpts follow:

Officials studying rubber equipment needs, for instance, estimate 100,000,000 tapping cups may be required. In addition, thousands of machetes will be required, also knives, shotguns, stoves, spouts, wringers, files to sharpen tools and other paraphernalia.

Dr. Earl N. Bressman, director of the Agricultural Division of the Office of Inter-American Affairs, recently told a United States Senate Committee that a preliminary equipment order from Brazil included 5,000 tapping cups, 5,000 machetes, 10,000 files, 5,000 shotguns, 250,000 shotgun shells and 2,000,000 nitrile tablets for combating malaria. This order indicates the scope of the equipment task.

Some 40,000 rubber tappers are estimated to be at work now in the Amazon basin. Officials hope to get another 20,000 equipped this year.

United States authorities hope to arrange for production in Brazil and other rubber-producing countries of much of the needed equipment. This will help relieve already overwhelming demand upon United States manufacturing industry, and at the same time, would help build the rubber industry in those countries.

The United States is giving financial and technical aid to rubber production in the other Americas. Agreements for purchase of rubber export surpluses already have been made with Brazil, Peru, and Nicaragua. Negotiations have been under way with other rubber-producing countries of the hemisphere.

The United States has agreed to contribute $5,600,000 toward rubber development in Brazil and $1,125,000 to Peru. Similar financial aid, it is indicated, may be forthcoming for other American republics joining in this vast rubber program. Aside from direct aid, additional millions of dollars are to go into health and sanitation projects to protect workers engaged in production of rubber and other strategic materials.

**INDEPENDENCE DAY**

The following statement concerning the July 4 holiday was made June 27 by WPB Chairman Nelson (quoted in part):

... on Independence Day this year we can pay proper honor to our freedom only by working in the defense of that freedom. Our soldiers on the battlefields of the world celebrate no holidays. We at home dare not have a July 4 holiday in war production. . . .

**WAR EFFORT INDICES**

**MANPOWER**

<table>
<thead>
<tr>
<th>National labor force, April</th>
<th>53,400,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployed, April</td>
<td>9,000,000</td>
</tr>
<tr>
<td>Nonagricultural workers, April</td>
<td>40,713,000</td>
</tr>
</tbody>
</table>

Percent increase since June 1940:

- **14%**
- **2%**

**FINANCE**

(In millions of dollars)

<table>
<thead>
<tr>
<th>Authorized program June 1940-June 15, 1942</th>
<th>1164,763</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airplanes</td>
<td>39,978</td>
</tr>
<tr>
<td>Ordinance</td>
<td>39,320</td>
</tr>
<tr>
<td>Miscellaneous munitions</td>
<td>21,281</td>
</tr>
<tr>
<td>Industrial facilities</td>
<td>16,697</td>
</tr>
<tr>
<td>Naval ships</td>
<td>15,688</td>
</tr>
<tr>
<td>Posts, depots, etc.</td>
<td>13,200</td>
</tr>
<tr>
<td>Merchant ships</td>
<td>7,463</td>
</tr>
<tr>
<td>Pay, subsistence, travel for the armed forces</td>
<td>6,150</td>
</tr>
<tr>
<td>Stockpile, food exports</td>
<td>4,661</td>
</tr>
<tr>
<td>Housing</td>
<td>4,661</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>6,861</td>
</tr>
</tbody>
</table>

Total expenditures, June 1940-June 15, 1942: $22,762,000
Sales of War Bonds—Cumulative May 1941-June 15, 1942: $3,457,000

**PLANT EXPANSION**

(In millions of dollars)

<table>
<thead>
<tr>
<th>June 29 to latest reporting date</th>
<th>1,074,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government commitments for war plant expansion</td>
<td>1,074,000</td>
</tr>
<tr>
<td>Private commitments for war plant expansion</td>
<td>6,227,000</td>
</tr>
</tbody>
</table>

**EARNINGS, HOURS, AND COST OF LIVING**

<table>
<thead>
<tr>
<th>Manufacturing industries — April</th>
<th>Percent increase from June</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average weekly earnings</td>
<td>42.8%</td>
</tr>
<tr>
<td>Average hours worked per week</td>
<td>42.4%</td>
</tr>
<tr>
<td>Average hourly earnings</td>
<td>21.9%</td>
</tr>
</tbody>
</table>

Cost of living, (1935-39 = 100):

<table>
<thead>
<tr>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 1942</td>
</tr>
<tr>
<td>June 2, 1942</td>
</tr>
</tbody>
</table>

*Preliminary. Includes revisions in former months.*

**OFFICE FOR EMERGENCY MANAGEMENT**

WAYNE COY, Liaison Officer

OFFICE OF PRICE ADMINISTRATION: Leon Henderson, Administrator.

OFFICE OF WAR INFORMATION: Elmer Davis, Director.

OFFICE OF ALIEN PROPERTY CUSTODIAN: Leo T. Crowley, Custodian.

WAR MANPOWER COMMISSION: Paul V. McNutt, Chairman.

WAR RELocation AUTHORITY: Milton Eisenhower, Director.

WAR SHIPPING ADMINISTRATION: Rear Admiral Emory S. Land, U. S. N. (Retired), Administrator.

WAR PRODUCTION BOARD:

Donald M. Nelson, Chairman.

Executive Secretary, G. Oyle Belday.

PURCHASERS DIVISION: Henderson Breden, Acting Director.

PRODUCTION DIVISION: W. H. Harrison, Director.

MATERIALS DIVISION: A. I. Henderson, Director.

DIVISION OF INDUSTRY OPERATIONS: J. S. Knowles, Director.

LAbOR PRODUCTION DIVISION: Wendell Lund, Director.

CIVILIAN SUPPLY DIVISION: Leon Henderson, Director.

REQUIREMENTS COMMITTEE: Wil. L. Bate, Chairman.

OFFICE FOR EMERGENCY MANAGEMENT:


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

OFFICE OF DEFENSE TRANSPORTATION: Joseph B. Esser, Director.

OFFICE OF FACTS AND FIGURES: Archibald McClellan, Director.

OFFICE OF LEASE-LEASE ADMINISTRATION: E. R. Sestanich, Jr., Administrator.

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


OFFICE OF THE COORDINATOR OF INDUSTRY OPERATIONS: J. S. Knowles, Director.

OFFICE OF WAR PRODUCTION: Donald M. Nelson, Chairman.

Henry L. Stimson, Director.

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Jesse H. Jones.

Sidney Hillman.

Leo Henderson.

Henry A. Wallace.

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