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Review of the Week in Defense

After a period marked by readjustments to guarantee the essentials of civilian life, the Office for Emergency Management last week intensified its efforts to supply more of the vital industrial materials to defense.

The Supply Priorities and Allocations Board, taking a long-term view of the emergency, approved a 10,000,000-ton expansion in annual steel capacity even though the construction will require 13 percent of present steel production for the next two years. OPM officials began preparing requests to Federal financing agencies for funds, and announced that OPM had previously approved projects for nearly 3,000,000 tons of the amount.

Refrigerator production cut

To conserve steel, aluminum, brass, chromium, copper, nickel, iron, tin, zinc, mica, neoprene and rubber, the Priorities Division ordered domestic mechanical refrigerator production for August through December cut 43.2 percent below average monthly factory sales in the 12 months ended June 30, 1941. The order was based on recommendations of the Civilian Supply Division.

Copper scrap and all lead were put under full priority control. An A-9 rating was given to "merchant steel" products for certain Jobbers and hardware stores, some of which supply defense projects. The Priorities Division served notice that regulations do not permit a manufacturer to extend a preference rating from a defense order if his inventory is big enough to furnish the necessary materials and still leave a working minimum.

1,914 planes in September

A key to progress in production was furnished in OPM's announcement that military aircraft manufacturers delivered in September 1,914 planes—an increase of 69 over August and of 454 over July.

On the recommendation of the Petroleum Coordinator, the Priorities Division issued for October a new formula for a 10 percent over-all cut in gasoline deliveries on the Atlantic Coast. For individual States the amount deliverable is expressed in various percentages of the May-July 1941 average; for individual accounts within each State the amount is expressed in percentages of October 1940 deliveries.

Ceiling on wood alcohol

Continuing to tighten control of industrial chemicals, the Office of Price Administration placed a ceiling on prices of methanol from wood, which had got out of line with the synthetic product. OPA also included copper and nickel silver in an amended brass mill scrap price schedule; set maximum prices on all grades of paperboard sold east of the Rockies; announced that top prices of aluminum scrap would be cut November 1 to match a reduction in the price of virgin metal, that maximums for carbon and low-alloy steel castings would be established at or below current levels, and that all iron and steel products sold through Jobbers, dealers and distributors would be placed under a ceiling.

Carded cotton yarn prices

In other actions, OPA obtained agreement from major producers of furniture upholstery fabric to stabilize prices until November 10 at September 10 levels; put a ceiling on prices of all types of silk known to be in the United States; established maximums for all the ordinary commercial carded cotton yarns, keyed to the market price of "spot" raw cotton; and modified the system of reporting on rayon grey goods sales to avoid giving away the secrets of new weaves.

Price Administrator Henderson pointed out to manufacturers, wholesalers, and retailers that increased prices to consumers because of the new Federal manufacturers' excise taxes "should in no case reflect more than the actual dollar amount of the manufacturer's total excise tax."

The Contract Distribution Division meanwhile planned a "flying squadron" of engineers to visit plants threatened with priority unemployment and see if they can be converted to defense work. The Labor Division revealed that surveys already had been made in six cities to prepare for readjustments in employment which will be necessary because of the cut in refrigerator manufacture.

The National Defense Mediation Board settled the war bonus dispute in the shipping industry and the union shop and wage issues at the American Brake Shoe and Foundry Company, in both cases subject to ratification. Workers of the Consolidated Aircraft Corporation rejected an agreement reached before the Board between representatives of the union and management.

Auto dealers urged to prevent inflation

Automobile dealers, by self-regulation of their prices for new and used cars, can play an important part in preventing inflation, Cyrus McCormick, Price Executive of the automobile and truck section, OPA, said September 30 in a speech before the Los Angeles Motor Car Dealers' Association at the Los Angeles Biltmore Hotel, Los Angeles.

"I cannot say this too strongly—if the automobile industry does not develop inflationary tendencies, there will never be any need for any price ceilings as applied to the automobile industry," Mr. McCormick said. "The same is true for all industries. Where inflationary tendencies develop, OPA will be prepared to take action and that quickly."

Health directors of republics coming to U. S. conference

Public health directors from the American republics have been invited to attend the annual conference of the American Public Health Association at Atlantic City, N. J., October 14 to 17, as guests of the United States Government. It was announced October 3 by Nelson A. Rockefeller, Coordinator of Inter-American Affairs.

Heads of the national departments of public health or their representatives from all 20 of the other American Republics have indicated they will attend.
SPAB accepts 10,000,000-ton steel increase urged by Hauck; OPM to ask funds

The Office of Production Management took immediate steps October 2 to carry out the previous day's decision by the Supply Priorities and Allocations Board that a further 10,000,000-ton expansion of the Nation's annual steel-making capacity is desirable.

OPM officials began preparing requests to Federal financing agencies for funds to carry out specific projects that will be included in the expansion. Announcements as to individual projects approved will be made as they are submitted to the financing agencies.

SPAB acted after considering a report prepared by W. A. Hauck, OPM steel consultant. The Hauck report recommended that a 10,000,000-ton expansion should be undertaken immediately and that an additional 5,000,000-ton expansion should be undertaken to the extent that may be found practicable. SPAB decided that, at this time, it would only give approval for the 10,000,000-ton goal.

Long-term defense

Details of the Hauck report were made public October 2. It said that an expansion of 10,000,000 tons should be started immediately to meet specific existing needs and that it is reasonable to assume that substantial additional capacity will be required "inasmuch as demands are still constantly increasing."

"Our defense effort should be considered as of long term duration rather than short terms," the report said.

Steel required to build the new capacity must be obtained by a corresponding reduction in steel available for civilian uses while the construction is under way, it was pointed out, but this will be returned many times over during subsequent years. The report said that 1.3 percent of the present capacity of the industry must be set aside during each of the next two years to build 10,000,000 tons of additional capacity.

Of the 10,000,000 tons of additional ingot capacity recommended, almost 3,000,000 tons have been approved previously and specifically by the OPM.

One aim is to make West independent

An additional 5,000,000 of the 10,000,000 tons is needed to meet certain shortages now existing and to make the West Coast largely independent of eastern steel plants, the Hauck report said. The specific shortages mentioned include}

ally steels for aircraft, tanks and tools; ordinary plate for ships, freight cars, and boilers; armor plate for tanks, ships, gun mounts, helmets, and planes; and Bessemer steel, which can be made with a minimum of iron and steel scrap, to offset a shortage of scrap.

Further needs are in sight, the report continued, and the remainder of the 10,000,000-ton expansion can be assigned to good advantage.

Steel companies have already submitted definite proposals for expansion of capacity by 13,118,768 tons, most of which would require Government financing. Additional definite proposals running the total to 15,000,000 tons and more will be submitted by the companies shortly.

Some financing already arranged

Financing has already been arranged or recommended for 2,861,200 tons and, from the other proposals pending and to be submitted, the OPM will select additional projects and recommend them to Federal financing agencies as rapidly as possible.

Hauck estimated that it will cost up to $1,250,000,000 to increase capacity by 10,000,000 tons and at least $750,000,000 more for a further increase of 5,000,000 tons. In both cases, practically all of the money must be provided by Government financing.

Cost can be reduced and earlier production assured, the report said, by expanding facilities in existing plants wherever feasible. A flexible plan must be found promptly, it continued, to finance such projects in a manner recognizing that the additional facilities are being installed only because of the emergency, that their cost will be in excess of normal cost, and that they will not be self-liquidating.

Part can be ready in 9 months

Some of the 10,000,000 tons of new capacity can be completed within nine months and substantially all of it within two years provided highest priority ratings are assigned to all undertakings. Unless such priorities are assigned, the report said, no further expansion should be started.

The further increase of 5,000,000 tons in capacity would be very difficult to obtain and would take up to three years to complete, the report continued, pointing out that the extra demands on sup-
PRIORITIES...

Mechanical refrigerator production cut
43.2 percent for August through December

A limitation order for the domestic mechanical refrigerator industry reducing production for the 5 months from August 1 through December 31, 1941 by 43.2 percent below average monthly factory sales in the 12 months ending June 30, 1941, was issued September 30 by Donald M. Nelson, Director of Priorities.

The order is based on recommendations by the Division of Civilian Supply looking to an output of 2,007,000 units in the 12 months beginning August 1, 1941, as against 3,670,000 units produced in the 12 months ended June 30, 1941.

This anticipated 12-month program represents a decline of 45.5 percent from output in the 12 months ended June 30, 1941, and 20 percent from output in the 12 months ended June 30, 1940. However, it is higher than output in most other years since 1929. The estimated demand for refrigerators to replace those wearing out during the coming year is 700,000 units. Anticipated production will cover this by a wide margin and still leave a substantial number of refrigerators for new installations.

To save 175,000 tons of steel

The program is designed to reduce consumption of steel in the manufacture of refrigerators by 175,000 tons a year, to effect substantial savings in consumption of other scarce materials, to help relieve the pressure on material supplies from consumers' durable goods industries, and to release facilities for defense work.

The domestic mechanical refrigerator industry consumes a substantial amount of aluminum, brass, chromium, copper, nickel, iron, tin, zinc, mica, neoprene, and rubber, in addition to steel.

The industry is made up of 30 plants located in 19 communities and employing about 45,000 workers. A small amount of defense work is already being done in plants of the industry.

Labor problem tackled

The Labor and Contract Distribution Division of the Office of Production Management are now working on plans to relieve labor dislocation which may result from the reduced production. These plans include: (1) Expansion of training programs to fit displaced labor for defense work; (2) shifting of workers already having the necessary skills to defense work; and (3) the securing of additional defense contracts in areas where refrigerator plant operations are cut.

Similar limitation programs relating to other consumers' durable goods industries are being prepared by the Division of Civilian Supply. Extent of the curtailment in each industry will be determined by considerations of possible materials to be saved, burdens on consumers, and extent to which labor and industrial equipment will be made idle.

The refrigerator program has been worked out in detail for only the 5-month period from August through December 1941, since it is problematical what the conditions will be later.

How the program works

Under the program average monthly quotas for the industry will total 175,519 units for the 5 months August to December 1941, inclusive. This will be a decline of 43.2 percent below average monthly factory sales of 309,234 units in the 12 months ended June 30, 1941.

The program is designed to level out monthly production to a large extent over the 12 months ending July 31, 1942. Operations of the industry during the 12 months ended June 30, 1941, showed a strong upward trend with monthly output near the end of that period more than double output at the beginning.

Output in the 5 months from August through December 1941, therefore, will be only about 2 percent under average output in like months of 1940. It will, however, be considerably under output in recent months. It is anticipated that output in the 7 months ending July 31, 1942, will be considerably under output in like months of 1941.

AID FOR LABOR

Surveys have been completed in six cities with a view to alleviating labor dislocation after the cut in refrigerator output. Page 9.

Larger reductions expected

It is expected that beginning in January the cuts under average monthly sales in the 12 months ended June 30, 1941, will be as follows: Class A, 50 percent; Class B, 40 percent; and class C, 30 percent.

In preparing the program the Civilian Supply Division first held an industry-wide meeting to provide manufacturers an opportunity to discuss their problems and to indicate to them that material shortages would force a reduction in output. A tentative curtailment program was then drafted and discussed with a panel of representative refrigerator manufacturers. This tentative program was subsequently modified in light of the criticisms received. Thereafter, the program was discussed with representatives of a number of labor unions concerned. Both management and labor representatives were told that the program would merely establish production maximums. Furthermore, they were told there is no guarantee that there will be sufficient materials available to reach these maximums.
Priorities form PD-1 may be reproduced by users

Priorities Director Nelson announced October 1 that in order to simplify the filing of applications for preference ratings, form PD-1—the standard form of application for ratings—may be reproduced by those who wish to use it.

Anyone who reproduce form PD-1 must, however, follow exactly the phraseology, the size, the format, and the color of the official blanks furnished by the Division of Priorities.

In general, Priorities Division forms and orders may not be reproduced by anyone except when reproduction is specifically authorized on the form or order.

Extension of rating barred if inventory is sufficient

An interpretation relating to the use of inventory materials to fill purchase orders bearing preference ratings, and limiting the circumstances under which preference ratings may be used by a supplier to obtain needed materials, was issued September 29 by Priorities Director Nelson.

Mr. Nelson made three points:
1. A producer who has received a defense order may not use a preference rating to procure materials with which to manufacture the defense articles ordered if his inventory is already large enough to let him fill the order and still leave him with a practicable working minimum inventory.
2. If a producer's inventory is below a practicable minimum inventory, he may use a preference rating to procure the needed materials if this use of the preference rating is authorized. In such a case, however, he must not delay manufacture of the defense articles until he has received the materials, but must immediately start manufacture, using materials already in his inventory.

3. If a producer fills a defense order out of inventory materials without himself using a preference rating to obtain needed materials, he may not, after completion of the order, obtain materials to replenish inventory by use of a rating.

Order extends nickel control; U. S. faces rising shortage

The United States faces a nickel shortage for 1941 of something like 40 million pounds. Next year it is expected that the shortage will go higher, perhaps as high as 60 or 70 million pounds. Because of this prospect, the Division of Priorities issued September 30 General Preference Order M-5-6-a, extending priority control over nickel to March 31, 1942.

In the new order it is provided that the Director of Priorities, as heretofore, will continue to allocate primary nickel among competing consumers. The allocations of nickel are made each month after examination of proposed shipments and apparent requirements.
East's gasoline deliveries for October are cut 10 percent from May-July average

Gasoline deliveries in the Atlantic Coast Area will be cut 10 percent below the May-July 1941 monthly average, under an order signed October 1 by Priorities Director Nelson.

The order, recommended by Petroleum Coordinator Harold L. Ickes, takes the place of the 10-percent reduction provided August 15 by the former Office of Price Administration and Civilian Supply.

So far as the ordinary motorist is concerned, the order means that filling stations, by and large, will have 10 percent less gasoline to fill his wants.

Full deliveries may be made for some important uses of gasoline. These exemptions apply to Federal, State, and local governments, and limited exceptions are provided on deliveries of gasoline for defense projects, for agricultural activities, and for the operation of vehicles, such as interstate trucks, operating under certificates of convenience and necessity.

Cuts apply to delivery trucks, taxis

The cuts will apply, however, to the operations of delivery trucks and taxis as well as to passenger cars.

Although the order is complicated in form, its major purposes are simple, to conserve gasoline in the Atlantic Coast Area, and to make certain that sufficient tanker tonnage is available for shipments of fuel oil.

This is accomplished by setting up a percentage formula which states the total quantities of gasoline which may be delivered in the Atlantic Coast States and the amount of gasoline which may be delivered to consumers within those States.

The percentages vary by States, but the over-all cut for the area approximates 10 percent. These percentages have been fixed for October but they may be changed in later months.

One important provision of the order prohibits the shipment of motor fuel from the Atlantic Coast Area to any point outside the area.

Details of the order follow:

Under the revised program, issued in the form of a limitation order, total deliveries of gasoline by all primary suppliers importing to or producing motor fuel in the Atlantic Coast Area shall be 10 percent less than average monthly deliveries for the months of May through July 1941.

The original program required a 10-percent reduction beginning July 1941 delivered. The base period was extended to 3 months from Mr. Ickes' recommendation. In a letter to Mr. Nelson, he said that the longer period will "reflect more exactly the relative salient positions of the various primary suppliers."

Percentages vary by States

The revised program sets up the percentage system by which primary suppliers can determine the amount of motor fuel they shall deliver to each State in the coast area. These percentages are based on average deliveries made during May, June, and July. The proportions received by the various States in

GASOLINE QUOTAS
(The first column shows the percentage of average May, June, and July deliveries (1941) which a primary supplier may deliver to each State in October. The second column shows the percentage of the amount delivered in October 1940 which may be delivered this October to individual accounts in the States.)

<table>
<thead>
<tr>
<th>States</th>
<th>Supplier A percentage for 1941</th>
<th>Supplier B percentage for October 1941</th>
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<tbody>
<tr>
<td>Maine</td>
<td>84.95</td>
<td>90.00</td>
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<tr>
<td>New Hampshire</td>
<td>88.70</td>
<td>93.70</td>
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<tr>
<td>Vermont</td>
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</tr>
<tr>
<td>Massachusetts</td>
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<td>Rhode Island</td>
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<td>Maryland</td>
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</tr>
<tr>
<td>District of Columbia</td>
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<tr>
<td>Georgia</td>
<td>90.60</td>
<td>97.50</td>
</tr>
<tr>
<td>Florida, east of the Apalachicola River</td>
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<td>97.50</td>
</tr>
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</table>

instances, and in the absence of intervening factors. It is my present view that wherever the facts disclose that any such States or regions are no longer dependent on tanker transportation and are securing sufficient supplies by alternative methods of transportation, I shall desire to recommend either a contraction of the boundary of the area of restriction or a relaxation of these restrictions in such States or regions.

General provisions of the order, in addition to the over-all 10-percent reduction requirement, include:

1. The percentage of average deliveries of motor fuel made during the months of May, June, and July, 1941, which may be delivered by each primary supplier in each State is set forth in the table attached to the order. These percentages vary slightly from State to State and are cut 10 percent from May-July average deliveries.

2. The movement of motor fuel from one State to another is prohibited in order to avoid the formation of a uniform percentage (called the supplement B percentage) of the quantity received in the corresponding month of the previous year or unusual expansion or contraction of business since that time.

3. Adjustments shall be made in the amount of deliveries to individual accounts to allow for exceptional circumstances, such as abnormal or subnormal deliveries during the corresponding month of the previous year or seasonal fluctuations between accounts in a particular State. These percentages vary slightly from State to State and are cut 10 percent from May-July average deliveries.

4. Adjustments shall be allowed to individual accounts, regardless of whether they are secondary suppliers, service stations, or consumers, shall be allocated the percentage of the uniform percentage (called the supplement B percentage) of the quantity received in the corresponding month of the previous year or unusual expansion or contraction of business since that time.

5. Adjustments shall be made in the amount of deliveries to individual accounts to allow for exceptional circumstances, such as abnormal or subnormal deliveries during the corresponding month of the previous year or seasonal fluctuations between accounts in a particular State. These percentages vary slightly from State to State and are cut 10 percent from May-July average deliveries.

6. Sales, purchases, loans, or exchanges shall be made between primary suppliers so as to balance out the deliveries of those primary suppliers who exceed their quotas and those who fail to deliver their full quotas, after allowance has been made for all types of business, preferred or otherwise.

7. All suppliers shall be allowed to deliver motor fuel to Federal, State, and local governments without having to deduct such deliveries from the total amount received from any particular supplier or according to any regular delivery schedule. They can demand continued deliveries from present suppliers of quantities stated in the order, if so desired.

8. Loans and exchanges permitted

9. The movement of motor fuel from within the area of shortage to any point in the United States outside such area shall be prohibited in order to avoid the loss of supplies needed in the Atlantic Coast Area.

10. All primary or secondary suppliers shall, to the extent practicable, make deliveries in such manner as to distribute such deliv-
October 7, 1941

DEFENSE

eries evenly throughout each month; and all persons maintaining or operating service stations shall, to the extent practicable, make deliveries in such manner as to distribute such deliveries evenly throughout each day.

The Atlantic Coast Area is defined in the limitation order as meaning Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, Pennsylvania, New Jersey, Delaware, Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida (east of the Apalachicola River), and the District of Columbia.

The order also defines a primary supplier, a secondary supplier and a service station.

Ickes urges preparation for peak

Regarding the necessity for present continuance of the program, Mr. Ickes wrote to Mr. Nelson as follows:

"In my opinion, a preventive program for conserving gasoline in the area of threatened shortage of vitally necessary products should be continued until that threat has been positively eliminated. Now is the time when all available resources should be fitted to meet the peak demand for total petroleum products which occurs not in the summer but in the winter. If there exists a greater margin of profit in gasoline as compared with fuel oils, unless gasoline consumption be curtailed refiners are likely to continue to maintain too large a proportion of our limited tonnage to ship gasoline to the Atlantic Coast and thereby leave insufficient tonnage to move the necessary amount of fuel oils. Fuel oil consumption can hardly be curtailed at all without risking the disruption of both defense industries and essential civilian activity.

"Gasoline consumption, however, can be curtailed without undue hardship if such curtailment is made soon enough and spread gradually over a sufficiently long period of time to avoid the imposition of a drastic cut. That is why I so strongly recommend the continuation of the very moderate curtailment in the deliveries of this product already instituted as a hedge against an uncertain future."

The Petroleum Coordinator informed Mr. Nelson that the limitation order should be continued "only as long as and only in such manner as there exists either a deficiency of petroleum stocks on hand or a lack of positive evidence of a continued and consistent movement of sufficient products to meet any eventuality."

Shortage cut by 165,000 barrels a day

"Already much has been accomplished by my office in its work with the petroleum industry to provide relief on the East Coast," Mr. Ickes wrote.

"Increased efficiencies in the use of tankers and a modification of the statutes and international conventions governing the depth to which tankers may be loaded, and spread gradually over a sufficiently long period of time to avoid the imposition of a drastic cut. That is why I so strongly recommend the continuation of the very moderate curtailment in the deliveries of this product already instituted as a hedge against an uncertain future."

The Petroleum Coordinator informed Mr. Nelson that the limitation order should be continued "only as long as and only in such manner as there exists either a deficiency of petroleum stocks on hand or a lack of positive evidence of a continued and consistent movement of sufficient products to meet any eventuality."

A-9 rating given merchant steel products

A plan which will help small distributors of certain merchant steel products, including those jobbers and hardware dealers who are warehousemen within the terms of Supplementary Order M-21-a, was announced September 30 by the iron and steel section of the Priorities Division.

The plan is based on a formula which will govern shipments of the merchant products listed to steel warehouses during October, November, and December. It is set forth in a directive which lists certain steel products widely sold by warehouses and stipulates the quantities of those products which may be delivered to them during the coming calendar quarter.

"Warehouse" includes certain stores

The order governing steel warehouses defines a warehouse as "any person who receives physical delivery of steel from a producer for sale or resale in the form received." This definition includes certain hardware stores, dealers, and jobbers who buy from producers. These small business firms, therefore, will be able to get the merchant products listed—such as wire and nails—without risking the disruption of both defense industries and essential civilian activity.

Other quotas being prepared

The rated shipments permitted under the directive will carry ratings of A-9. The formula announced in the directive applies only to shipments of the so-called merchant products listed. Quotas for the delivery of other steel warehouse products are now being prepared and will be distributed to the industry within a short time.

Major purpose of the steel warehouse plan is to provide assistance to the thousands of warehouses which perform an important service in the distribution of small quantities of steel to all kinds of customers, many of them engaged in defense work. These warehouses had been experiencing some difficulty in obtaining adequate supplies, but the new plan grants definite quotas so that these distributors may receive the products they need.

Cooperative utilities may use repair rating order

Cooperative utility companies may use the priority assistance provided in Preference Rating Order P-46 (the maintenance, repair and supplies plan for utilities). It was said in an interpretation issued October 3 by the Division of Priorities.

Since the original plan was issued for certain utilities, a number of questions have been received as to whether or not the assistance can be used by cooperative or "membership" companies supplying services to their stockholders or members only.

The interpretation states that such companies are included in the order, provided that the company offers service within its service area to any person applying for it in accordance with the producer's rules and regulations.
$154,214,423 War Department contracts cleared September 25 through October 1

Defense contracts totaling $154,214,423 were awarded by the War Department and cleared by the Office of Production Management, during the period September 25 through October 1. This compares with a total of $92,968,762 for the previous week.

CONSTRUCTION

Two contractors: Walters & Frater, Morris-town, Tenn., and Mark K. Wilson, Chattanooga, Tenn., change order to original contract covering construction of five additional warehouses at GM Depot, Richmond, Va.: $1,250,000. (Total estimated cost of project now $8,600,0005.)

Two contractors: Doyle & Russell and the Wise Contracting Co., Inc., Richmond, Va.; change order to original contract covering construction of two additional warehouses at GM Depot, Richmond, Va.: $1,250,000. (Total estimated cost of project now $7,044,690.)


General Motors Corporation, Chevrolet Division, Flint, Mich., to manufacture and supply machinery and equipment for the General Motors Corporation, Detroit, Mich.; $432,230. (Defense Plant Corporation agreement of lease)

Pfaif Bearing Co., New Britain, Conn.; additional machinery and equipment at existing plant for production of bearings; $746,062. (Defense Plant Corporation agreement of lease)

The Pfaif Bearing Co., New Britain, Conn.; additional machinery and equipment at existing plant for production of bearings; $746,062. (Defense Plant Corporation agreement of lease)

The Bullard Co., Bridgeport, Conn.; additional machinery at existing plant for production of hydraulic equipment; $247,705. (Defense Plant Corporation agreement of lease)

The Warner & Swasey Co., Cleveland, Ohio; machinery and equipment to be used in manufacture of machine tools; $550,000. (Defense Plant Corporation agreement of lease)

Bell Aircraft Corporation, Buffalo, N. Y.; additional machinery and equipment to be used in manufacture of aircraft and aircraft parts; $324,230. (Defense Plant Corporation agreement of lease)

The Watton-Stillman Co., Roostle, N. J.; additional machinery and equipment to be used in manufacture of hydraulic equipment; $214,451. (Defense Plant Corporation agreement of lease)

The Warner & Swasey Co., Cleveland, Ohio; machinery and equipment to be used in manufacture of machine tools; $550,000. (Defense Plant Corporation agreement of lease)

BELLEVILLE, N. J., to be used for production of ceramic products for Signal Corps; $972,774. (Defense Plant Corporation agreement of lease)

EQUIPMENT AND SUPPLIES

Wm. E. Hooper and Sons Co., Baltimore, Md.; dyeing and finishing 8,001,000 yds. gray duck to olive drab; $934,365.

The Springleum Finishing Co., Inc., Canton, Mass.; dyeing and finishing 6,500,000 yds. gray duck to olive drab; $825,000.

The American Waterproofing Co., Cincinnati, Ohio; dyeing and finishing 7,000,000 yds. gray duck to olive drab; $603,056.

Chatham Mfg. Co., Elkin, N. C.; 375,000 wool O. D. blankets; $2,467,303.


Sturgeon Bay Shipbuilding and Dry Dock Co., Sturgeon Bay, Wisc.; retrieving vessels; $1,215,000.


Pittsburgh Coke & Iron Co., Pittsburgh, Pa., (for mfr. at Neville Island, Allegheny County, Pa.); activated charcoal; $175,058.

AIRCRAFT

Douglas Aircraft Co., Inc., Santa Monica, Calif.; airplanes and spare parts; $6,061,385.

Irving Air Chute Co., Inc., Buffalo, N. Y.; parachute and assemblies; $1,373,599.

General Motors Corporation, Delco Remy Division, Anderson, Ind.; generator assemblies; $2,970,000.

The Folmer-Gratex Corporation, Rochester, N. Y.; aircraft cameras; $4,297,752.

Bell Aircraft Corporation, Buffalo, N. Y.; gun mount assemblies; $522,530.

The Leeco-Neville Co., Cleveland, Ohio; generator and panel assemblies; $1,204,200.

General Motors Corporation, Allison Division, Indianapolis Ind.; engine parts; $4,197,002.

Consolidated Aircraft Corporation, San Diego, Calif.; engine parts; $4,003,941.

General Motors Corporation, Delco-Remy Division, Anderson, Ind.; generator assemblies; $669,825.

Westinghouse Electric & Mfg. Co., Dayton, Ohio; generator assemblies; $689,000.

Vultee Aircraft, Inc., Vultee Field Division, Downey, Calif.; frame spars; $1,244,400.

ORDNANCE

Hercules Powder Co., Wilmington, Del. (for mfr. at Union Plant, Parkin, N. J.); nitroglycerine; $1,043,760.

Parsons Co., Detroit, Mich.; land mines; $606,040.

Tub-Turns, Inc., Louisville, Ky.; shells; $1,970,000.

American Thermometer Co., St. Louis, Mo.; boosters; $98,000.

E. O. Budd Mfg. Co., Philadelphia, Pa.; bombs; $1,600,000.

Dietzgen Corporation, Boston, Mass.; remote control systems; $321,965.

Waterbury Clock Co., Waterbury, Conn.; fuses; $2,557,500.

Scovill Mfg. Co., Waterbury, Conn.; fuses; $825,000.

Taylor-Wharton Iron & Steel Co., Easton, Pa.; shells; $980,000.

General Motors Corporation, Delco Appliance Division, Rochester, N. Y.; spare parts for director; $669,000.

Metals-Benton-Ford Co., Pratt & Whitney Division, West Greenwich, R. I.; drill, reaming and rifling machines; $689,000.

All lead put under full priority control

All supplies of lead, including domestic lead and imported metal, were placed under full priority control by the Division of Priorities, October 4.

The new control over this metal is provided in General Preference Order M-38, which sets up an allocation system.

Lead is an important defense metal and also is widely used in civilian channels. In 1939—the last pre-war year—consumption of lead was divided as follows:

Storage batteries, 30 percent; white lead, 11; cable covering, 11; red lead, 6; building, 8; ammunition, 6; foil, 3; solder, 3; miscellaneous uses, 19.

In military operations, lead is required for the production of bullets, shot, shrapnel, and ordnance, for batteries, for insulating purposes and for airplanes.

Scrap and imports make up difference

Total requirements, defense and civilian, have created a shortage of lead domestically produced. Current consumption is at the rate of approximately 600,000 tons a year with an appreciable increase anticipated. Current production, including that from foreign ores, is not over 600,000 tons. The difference is made up from scrap returned to the industry and from foreign imports.

Foreign lead already controlled

All foreign pig lead now is being purchased by the Metals Reserve Co. and allocated by the lead branch of the Office of Production Management. Purpose of this order is to extend that control to domestic lead and to formalize the action through the customary channel of the Director of Priorities.

Main points in the order are:

1. Refiners and dealers in lead must file with the Director of Priorities not later than the 20th day of each month a schedule of proposed shipments for the following months.

2. After October 1, when specified, each refiner must set aside from his production in a special pool a quantity of lead to be fixed from time to time; the lead in this pool is to extend that control to domestic lead and to move the action through the customary channel of the Director of Priorities.

3. In shipping the balance of his production not covered by the pool, each refiner must give preference to defense orders as required by Priorities Regulation No. 1.

4. All lead released by the Metals Reserve Co. will be allocated by the Director of Priorities.
LABOR . . .

1,800 defense contractors aided in year by Training-within-Industry Branch

The Training-within-Industry Branch of OPM's Labor Division has rendered assistance to nearly 1,800 defense contractors employing over 2½ million workers during its first year of operation, Channing R. Dooley, chief of the branch, reported October 3 to Associate Director General Sidney Hillman.

In a progress report, Dooley said that the efforts of his branch have met with appreciative response from defense employers who are cooperating to expand production of goods and weapons.

Many services

Since September 1940 the TWI Branch has organized and manned a field service, assisted defense contractors with specific training problems, and cooperated with other training agencies, such as the vocational and defense training courses, the Labor Department's apprenticeship committee, NYA and WPA, in programs to increase the skills available for defense production.

The assistance rendered to defense employers includes accepted recommenda-

tions, surveys of various types and advice on personnel training activities.

22 district offices serve industry

Dooley reported that his branch has established 22 district offices covering all principal industrial centers of the country. Each district is headed by a TWI representative, who is aided by advisers from labor and industry, and by panel consultants, borrowed from industry and education. All of these men are serving without compensation. There are 487 such consultants, located in 183 cities.

The report emphasized the need of developing an ever increasing number of foremen and supervisors in the coming months to keep pace with the expansion of production needed by the armed forces. The report said:

"Training for production and many human relations problems incident to the transfer of skill from one occupation to another—from one plant to another—from one industry to another. TWI is sharing in the attack on this problem through its correlated work with the labor supply branch. The techniques of training are of great help in this field, and a better knowledge is growing out of analysis of industrial jobs as to how the competency on the part of individual workers can be improved through intensive, systematic training. This training is rooted in guided experience on the job, and promotion to jobs of higher skills, but is greatly aided by supplementary training given by vocational schools."

Taub to help Hillman in spreading defense work

OPM Associate Director General Hillman, September 29, designated Alex Taub, Pontiac, Mich., engineer, as special consultant to assist him on technical problems involved in the program to spread defense work, and alleviate unemployment caused by priorities.

Taub started as a machinist in an automobile plant in 1908. He was in charge of development and research of production designs for engines, for Chevrolet, from 1928 to 1936.

From 1936 to 1941 he was director of power plant engineering for Vauxhall Motors in England and in 1939 and 1940 he served on the British Mechanization Board for trucks, tanks, and engines. He was consulting engineer to the British Air Commission in Washington for several months this year and served as a technical consultant to the automotive section of OPM.

Refrigerator plants in six cities already surveyed to meet labor displacement

Surveys of expected priority unemployment, and of defense job and retraining possibilities, have been completed for six cities in which the refrigerator production cut announced September 30 will reduce the number of nondefense jobs, Associate Director General Hillman, OPM, said October 1.

Surveys have been made of Muskegon, Grand Rapids, and Greenville, Mich., Dayton and Mansfield, Ohio, and Evansville, Ind. Federal-State employment service officials are making similar surveys in other cities which have sizeable refrigerator factories.

10,000 of 45,000 workers surveyed

Refrigerator factories in these six cities, according to recent statistics, employ more than 10,000 of the 45,000 workers in the industry.

Information obtained in these surveys will be analyzed as quickly as possible.

In communities where the surveys show a threat of serious priority unemployment, the new OPM Division of Contract Distribution will seek to develop a remedial program to place defense contracts and subcontracts so as to absorb the displaced workers. OPM will recommend such programs to the War and Navy Departments for execution.

Other cities to be covered as necessary

Other cities will be surveyed as needs develop, as rapidly as possible, Hillman said.

OPM regional labor supply committees, coordinating registration, reemployment and retraining activities of Federal and State agencies, will supervise and direct the problems of dealing with displaced workers, while plant conversion will be handled between plant administrations and the Government agencies involved, Mr. Hillman pointed out.

New field men to investigate complaints of discrimination

Mark F. Ethridge, chairman of the President's Committee on Fair Employment Practice, announced September 26 the appointment of two field representatives who will investigate complaints of discriminatory employment practices in defense industries.

The appointees are: Eugene Davidson, business agent of the CIO Building Service and Maintenance Workers of Washington, D. C., and administrator of the New Negro Alliance, and G. James Fleming, managing editor of the Philadelphia Tribune.
PRICE ADMINISTRATION...

Maximum prices for aluminum scrap to be cut November 1 in line with virgin metal

Present maximum prices of aluminum scrap and secondary aluminum ingot will be reduced as of November 1 to reflect the reduction from 17 cents to 15 cents a pound in the price of primary aluminum on October 1, OPA Administrator Henderson announced last week.

This decision was reached after careful examination of the supply situation by OPA and consultation with trade members and the Office of Production Management. By bringing secondary metal prices into line with that of primary aluminum, it is believed that use of the former by defense industries, as desired by defense authorities, will be facilitated. Thus, the pressure on primary supplies will be reduced.

The price reductions in scrap and secondary aluminum, Mr. Henderson stated, will approximate 2 cents a pound on the several grades covered by the schedule, but to effect appropriate readjustments, the cuts in some cases will slightly exceed 2 cents and in other instances will be somewhat less than 2 cents.

Reflect changes in situation

These readjustments will reflect experience accumulated by OPA in actual operation of the schedule, as well as changes in the scrap situation since the ceiling was originally announced on March 24, 1941. Quantity differentials on scrap will also be introduced into the schedule, according to present plans.

The amendment setting forth the readjusted prices will be issued before November 1, but will not become effective until that date.

Mr. Henderson pointed out that by allowing a month between the effective date of the reduction in the price of primary aluminum and readjustment of the scrap and secondary schedule, dealers and smelters will be free to adjust their inventories in order to avoid such cash losses as might be forced upon them were ceiling prices lowered immediately. Special consideration will be given to proven cases of hardship involving prior commitments extending beyond November 1.

The administrator said he anticipated that aluminum scrap and secondary metal would sell below present ceiling prices even in advance of November 1.

This may well be brought about through competitive market conditions, he added.

Activity increases

Statistics on the flow of scrap and the production of secondary ingot made from scrap indicate a constantly increasing level of activity since spring. August operations were well above the average monthly rate for 1940.

The present schedule contains a formula based on a 17-cent price for virgin aluminum, which fixes the maximum "conversion factor," or toll charge, which may be made for rerolling or otherwise refabricating wrought aluminum plant scrap, excepting forgings. The cost of doing this work is not related to the price of virgin aluminum.

Therefore, it is planned to eliminate this formula and to establish instead a table of specific maximum charges covering toll fabrication of wrought aluminum plant scrap. Toll fabricators will be invited to a meeting with OPA in the near future to work out these charges. It is hoped that these will be effective November 1. In the meantime, maximum toll charges may continue to be computed on the present formula, based on 17-cent virgin aluminum.

Wells leaves Clearance Bureau, 3 appointed to staff

Sidney J. Weinberg, chief of the Bureau of Clearance of Defense Industry Advisory Committees, OFM, announced October 3 that Richard C. Wells has left the Bureau to return to the Freport Sulphur Company due to expiration of his 3 months' leave of absence from that company.

Mr. Weinberg further announced that he has appointed the following men to his staff in the Bureau of Clearance: J. B. Walker, formerly associated with Stone, Webster and Blodget, New York City, as special assistant; and as administrative assistants, George Muth, who is on temporary leave from the Continental Can Company, Inc., New York City, and G. Keith Funston, who is on temporary leave from Hygrade Sylvania Corporation, Salem, Mass.

Ceilings on low-alloy and carbon steel castings to be at or below current levels

Maximum prices for carbon and low-alloy steel castings, including railway specialties, will be established at or below current levels, it was announced September 30 by OPA Administrator Henderson.

Plans for the schedule have been discussed with representatives of 60 large and small producers. A separate session was held with the makers of railway specialties.

Further discussions will take place with a representative committee which OPA is selecting in order that the schedule of maximum prices may conform as closely as possible to present trade practices and methods. Consultation also will be had with buyers of castings before the ceiling is formulated.

General price level rose 15 percent

The general level of carbon and low-alloy steel casting prices has risen about 15 percent thus far in 1941. Because of their importance to industry, and particularly to the defense program, the Office of Price Administration feels that a price ceiling should be established at or below the levels now prevailing.

Used by almost every industry

Carbon and low-alloy steel castings, which are formed by pouring molten steel into molds, are used byvirtually every industry in the United States. Roughly, these castings fall into two groups: railway specialties and miscellaneous. The first group includes sideframes, bolsters, yokes, and couplers, used in the running gear of railroad freight and passenger cars. The "miscellaneous" castings field takes in all manner of products. Some of these are mass production items, while others are highly specialized. Steel scrap is the principal raw material in the production of carbon and low-alloy castings.

Most of the foundries producing castings have defense contracts and some of the larger corporations are using most of their plant capacity on orders connected directly or indirectly with the defense effort.
Brass mill scrap schedule amended

Several minor changes in Price Schedule No. 12 covering brass mill scrap were issued October 2 by OPA Administrator Henderson. Brass mill scrap includes scrap which is a byproduct of the fabrication of materials produced by brass mills. Amendments to the schedule, which was originally issued on July 21, 1941, include:

(1) Addition of a new category designated as “Copper” with the following maximum prices for less than 15,000 pound lots: heavy scrap, 10½ cents per pound; rod ends, 10½ cents per pound; and rod turnings, 9½ cents per pound. Premiums of ½ cent per pound may be paid on shipments of 15,000 pounds or more at one time and of 1 cent on shipments of 40,000 pounds or more. This type of material is currently covered in price schedule No. 20, “Copper Scrap” but is to be removed from that schedule shortly.

(2) Addition of a new category designated as “Nickel Silver” with the following maximum prices for less than 15,000 pound lots:

<table>
<thead>
<tr>
<th>Nickel silver</th>
<th>Heavy scrap</th>
<th>Rod ends</th>
<th>Turnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 percent nickel</td>
<td>104</td>
<td>94</td>
<td>414</td>
</tr>
<tr>
<td>10 percent nickel</td>
<td>104</td>
<td>94</td>
<td>414</td>
</tr>
<tr>
<td>15 percent nickel</td>
<td>104</td>
<td>94</td>
<td>414</td>
</tr>
</tbody>
</table>

Nickel silver scrap was formerly covered by price schedule No. 8 on “Nickel Scrap.” The change was made because most nickel silver is produced by brass mills. Cupro-nickel, which is produced in large quantities by other than brass mills, remains in the nickel scrap schedule.

(3) The definition of “brass mill scrap” has been changed so as to conform substantially with the OPM priority order covering copper and copper alloy scrap.

(4) The enforcement section has been modified so as to take account of possible cooperation by State, county, and local governments in seeking enforcement through revocation of licenses and permits. This section also states “that the procurement services of the Government are requested to refrain from selling or purchasing from those persons who fail to comply with the schedule.”

ORE MOVEMENTS

Reports from the four principal ore-harvesting railroads for the week ended September 27 showed they loaded into boats at upper lake ports 2,180,564 tons of ore as compared to 2,103,040 tons loaded during the corresponding week in 1940.

For the 1941 season of navigation to date these same railroads have loaded into boats a total of 58,524,106 tons as compared to 45,277,942 during the corresponding period of 1940.

Ceiling to cover iron, steel products sold through jobbers, dealers, distributors

All iron and steel products sold through jobbers, dealers, and distributors will be brought under a price ceiling in the near future to halt profiteering by certain members of the trade, OPA Administrator Henderson announced October 4.

The new schedule will cover sales of “seconds” and “rejects” as well as “prime” products. With its issuance OPA will have established maximum prices for iron and steel products sold in any quantity by mills, warehouses, jobbers, distributors, dealers, agents, or brokers. Products to be included under the new ceiling will be those covered by Price Schedule No. 6, which set maximums for iron and steel sold by primary producers.

An essential part

“Jobbers, dealers, and distributors of iron and steel are an essential part of the American industrial picture,” Mr. Henderson stated. “Their function is to supply a great variety of products in comparatively small quantities to manufacturers and other users of steel. Many small businesses working on direct or indirect defense orders are entirely dependent on the distributing industry for their steel supplies.

“The nature of their business requires distributors to carry extensive stocks in their warehouses and to be prepared to make quick deliveries. Their prices always have reflected the special character of their services.

“Since the issuance of Price Schedule No. 6, which froze producers’ prices at first-quarter levels, the leading steel jobbers have cooperated admirably with the Office of Price Administration to keep their prices in proper relation to the mill prices set by the schedule. In recent months, however, largely because of the great demand for steel generated by the defense program, certain members of the trade have demanded exorbitant prices from manufacturers in urgent need. Numerous complaints have reached my office, citing cases where consumers in need of steel have been compelled to pay prices ranging from 50 percent to 500 percent above those generally quoted. In many instances, ‘seconds’ and ‘rejects’—steel containing imperfections—have been sold at prices considerably higher than those charged for steel of first grade.

“This is profiteering”

“This is profiteering, pure and simple, and must be stopped.”

About 85 percent of all iron and steel is sold by steel mills directly to consuming industries. The remaining 15 percent is bought by jobbers, distributors, and dealers for resale. It is estimated that about 11,800,000 net tons of iron and steel will be thus distributed in 1941, against 6,688,000 net tons in 1940.

While the total percentage of all iron and steel distributed by reselling is comparatively small, in certain items a substantial amount of the total production is handled in this manner. For example, in 1940 jobbers, dealers, and distributors resold 54 percent of the entire production of iron and steel pipe and tubes, 40½ percent of all wire and wire products and slightly over 46 percent of all galvanized sheets, as well as important quantities of tool and alloy steels.

Over 5,000 distributors

The steel distribution trade buys in carload lots of 40,000 pounds direct from the mill at the base prices. Resales are made in any quantity with price differentials based on the poundage involved. It is estimated that there are over 5,000 companies, partnerships, and individuals engaged in iron and steel distribution in the United States. They range in size from large independent corporations, maintaining warehouses and distributing depots in numerous cities and towns, to small neighborhood dealers. Some jobbers specialize in pipes and tubes, others in wire and wire products and others in sheets. Some handle heavy steel exclusively, while still others have extensive inventories containing tens of thousands of items. Several of the large steel producers have subsidiaries engaged in the jobbing business.

* * *

INFORMATION SPECIALISTS NEEDED FOR DEFENSE

Information specialists are needed by the Government in connection with every phase of national defense activity, the Civil Service Commission has announced.

To fill these positions, the Commission has announced an examination for information specialists in press and publications, and in radio. There are over 100 jobs to be filled in the various Government agencies. Salaries range from $2,600 to $4,600 a year.

Applications must be on file with the Commission’s Washington office not later than October 23, 1941.
Ceilings announced for paperboard, all grades, sold east of Rockies

Ceiling prices for all grades of paperboard sold east of the Rocky Mountains, corresponding to those that have prevailed for several months under voluntary agreements with leading producers, are established in Price Schedule No. 32 announced October 1 by OPA Administrator Henderson.

The new schedule went into effect on October 1, expiration date of the voluntary agreements and effective date of OPA's recent schedule of ceiling prices on wastepaper, principal raw material for the manufacture of paperboard.

As stated in a preliminary announcement, maximum delivered prices for the three basic grades are the same as those specified in the voluntary agreements; that is, $45 a ton for chipboard, $60 a ton for single manila lined board, and $75 a ton for white patent coated newboard. Differentials, up and down, in line with the expiring agreements, are established for the other types, depending upon weight, grade and quality.

Used in boxes

All types of paperboard used in the manufacture of set-up paper boxes, folding cartons, and shipping containers are covered. Top prices for the shipping container grades are stated in dollars per 1,000 square feet, rather than in dollars per ton as are the grades used in set-up paper boxes and folding cartons.

Paperboard is in great demand for cartons and boxes to package defense materials, food products, and innumerable articles of consumer goods.

Issuance of the present schedule climaxes a series of attempts by OPA to avert inflationary price trends in this basic commodity by voluntary agreements with paperboard manufacturers and the wastepaper trade.

On June 12, 1941, leading producers of paperboard agreed individually with OPA (then OPACS) to maximum prices of $42.50 for chip board, $57.50 per ton for single manila lined board, and $72.50 a ton for white patent coated newboard, with appropriate differentials for other grades. This agreement took into account wastepaper prices as of May 29, 1941.

Waste paper prices rise

Prices of wastepaper rose rapidly thereafter and had increased from $3 to $4 a ton on June 18, 1941, when they were stabilized by individual agreements between OPA and members of the trade.

Because of these higher prices for wastepaper, the voluntary agreements with the paperboard manufacturers were revised upward by $2.50 per ton on August 4 and at the same time were extended to October 1, 1941, to correspond with a similar extension of the agreements on wastepaper prices.

Despite these attempts to stabilize both paperboard and wastepaper prices through voluntary action, the situation continued unsettled. There developed in certain quarters of the wastepaper trade methods designed to circumvent the maximum prices and in some instances, supplies were diverted or withheld from consuming mills that refused to violate their agreements with OPA. As a result, the distribution of wastepaper stocks became unbalanced and some paperboard plants were forced to shut down.

Familiar differentials established

The differentials established in the schedule are those which are familiar to the trade. A maximum base price is set for a given classification and to that base are added or subtracted amounts consistent with the quantity of all types included in the classification. For example, to the maximum base price of $45 per ton for plain chip board may be added not more than $5 per ton for sales of from 1 to 3 tons; $2.50 for more than 3 tons, but less than 10 tons; with the base price of $45 applying to sales of 10 tons or over.

In the case of white vat lined board, which is included with chip board in the "set-up boxboard" classification, the maximum base price is $45 a ton, plus $20 for orders of 3 tons or less; or plus $17.50 for orders of over 3, but less than 10 tons; or plus $15 for orders of 10 tons or over. Thus, in effect, there are three ceiling prices ($65, $62.50, and $60) for white vat lined boxboard. This same system prevails throughout the schedule, although in some cases minimum deductions from the base price are provided for. In addition, there are differentials allowed by varying thicknesses and for special operations in all of the grades.

Under a special exception, the additional charges for quantities less than 10 tons are eliminated if the buyer orders sizes in proper quantities and dimensions to fill the width of the paper-making machine.

All of the ceiling prices are the maximums that may be charged for the respective grades and tonnages delivered to the consumer.

Voluntary west of Rockies

OPA has no present intention of establishing maximum prices for board sold west of the Rockies. Mr. Henderson said, since the voluntary agreements with West Coast manufacturers do not expire until December 31, 1941, and have been operating satisfactorily.

Ceiling covers all types of silk known to be in United States

Extension of Price Schedule No. 14—raw silk and silk waste—to bring under ceiling prices all types of raw silk now known to be in the United States was announced October 1 by OPA Administrator Henderson.

The original schedule, issued August 2, 1941, covered the principal grades and established maximums at quotations that prevailed on July 21, 1941, before developments in the Far East sent prices soaring.

On July 26, 1941, domestic silk stocks were frozen by order of the Division of Priorities, OPM, which followed this action by undertaking an inventory of silk holdings.

Inventory revealed other types

Recently completed, the inventory disclosed that there were comparatively small amounts of numerous types and grades of raw silk not covered by the original OPA price schedule. These are now included in a comprehensive amendment.

Ceiling prices set for the newly added types and grades are based upon the prices already established for the leading types. Except for China silk, now broken down into grades, deniers, and colors, no change has been made in the prices of these basic types.

The maximums will apply to all sales of silk, including sales of silk now or hereafter released from OPM's freezing order and to all transfers of silk ordered by OPM to manufacturers holding defense contracts.

It was announced that OPA does not contemplate making any provision for completion of existing contracts at prices above those established in the schedule.
Rayon grey goods reporting
modified for new weaves

Amendment of the rayon grey goods
price schedule to modify a regulation
which might impose a hardship on the
originators of new weaves of cloth was
announced October 3 by the Office of
Price Administration.

Until now, the schedule required that
sales contracts contain full details of
the construction of each fabric sold,
whether or not covered by maximum
prices. As amended, this requirement
will apply only to the fabrics specifically
named in the schedule.

Disclosure to buyers of the make-up
of new cloths in sales contracts, accord
ning to manufacturers, provided an easy
means for competitors to obtain infor
mation that would permit imitation.

Still must report to OPA

The amended regulations still require
manufacturers to keep full records of
the production, prices, and constructions
of all fabrics included in the schedule, as
well as to report similar information to
OPA each month on fabrics not under
the ceiling, if made in quantities exceed
25,000 yards a month. These re
ports, it is stipulated, must be filed even
though the fabrics were not sold “in the
grey,” or unfinished state, but were fur
ther processed by the manufacturer.

1. Weavers will keep full records of
all transactions, of all production, and
of the details of manufacture of every
fabric produced.

2. Weavers will submit to OPA, on
forms provided for that purpose, reports
showing the volume of production, and
full details of manufacture of every
fabric not under the ceiling, if it has been
produced in quantities greater than
25,000 yards monthly. The highest prices
at which such goods are sold during the
month covered are to be included in the
form. These prices are to cover sales
both for immediate and for future de
livery. Reports will be due from all
producers, however, whether the goods
are sold in the grey or not. Where
such fabrics are not sold in the grey
state, this should be indicated on the
report forms instead of listing the highest
selling prices.

3. Invoices on all shipments of rayon
grey goods must carry a style number or
symbol which identifies the fabric in such
a way that it refers to the weaver’s rec
ords of the details of its manufacture.
Sales contracts on fabrics covered by
the ceiling must carry full details of
manufacture.

Voluntary stabilization until November 10
announced for furniture upholstery prices

Voluntary stabilization of furniture
upholstery fabric prices until November
10, 1941, at the levels prevailing on Sep
tember 10, 1941, was announced October
3 by OPA Administrator Henderson.

Manufacturers may, however, request
price increases up to five percent of the
September 10 prices. Such requests may
be submitted to OPA at any time prior to
November 10.

Stabilizing raw materials

Meanwhile, OPA is undertaking to
stabilize raw materials required in man
ufacture of upholstery fabrics and, in
cooperation with the industry, will work
on a permanent price stabilization pro
gram for the fabrics themselves.

Combed cotton yarn, an important ma
terial in the manufacture of upholstery
fabrics, already is under a price ceiling,
while a schedule of maximum prices for
cased cotton yarn, another essential
material, is in the course of preparation.

A survey made in August 1941 of a re
presentative group of furniture uphol
stery fabric manufacturers indicated that
prices had risen sharply since the
summer of 1940. It became necessary,
therefore, to take action to stabilize
prices and check inflation.

Representatives of the industry and
OPA held a meeting in New York on
September 19, 1941, at which 28 com
panies, representing more than half the
total looms in the industry, agreed to
the following request:

“The Office of Price Administration
requests that the members of the furni
ture upholstery industry, as individuals,
agree with it not to increase the prices
prevailing on September 10, 1941, for up
holstery goods, until November 10, 1941,
with the proviso that requests may be
made to this Office for increases up to
five percent of the September 10 selling
price during the 60-day interval.”

Approval of majority assumed

On September 20, 1941, Mr. Hender
son sent letters containing the same re
quest to 276 other units in the industry.

The letters stated: “Because of the ne
cessity of rapid action,” OPA would
“assume that you agree unless we hear
from you to the contrary prior to Sat
urday, September 27.” Only 18 compa
nies replied that they could not agree,
while 28 reported that they desired fur
ther consultation with OPA. These 46
companies represent a very small part of
the total capacity of the upholstery fab
ric industry.

It may therefore be assumed that the
agreement has the approval of the vast
majority of producers operating an over
whelming percentage of the total pro
ducing capacity.

OPM plans no silk imports now;
some “opened” stock released

The following statement was issued
October 2 by Frank Walton, chief of the
textile section, OPM:

“OPM has no program to import more
silk at this time and knows of no move
ment to bring more in. Any importa
tion of silk in the future will depend on a
number of factors, none of which can be
determined at this time. Meanwhile,
OPM is proceeding with the original plan
to use the stocks of frozen silk for de
fense purposes.

“Opened” silk not for defense

“The Defense Supplies Corporation
is buying such silk as is being offered and
it is planned to use this silk in the de
fense program.

“All raw silk was frozen under Order
No. M-22, as of July 26, 1941, and all such
silk is still frozen under this order.

“Some raw silk had been opened for
blending in plants in a normal way be
fore the freezing order went into effect,
but was frozen along with the rest. This
‘opened’ silk is being released now in
some instances after being certified by
the owner and checked by OPM. It was
decided that the ‘opened’ silk would not
be used for defense.

“The release of this ‘opened’ silk, how
ever, had no relation to the entire silk
program and the silk was released only
for the reasons publicly stated at the
time.”

Mr. Walton made this statement in
answer to a number of inquiries from
silk owners, who wanted to know whether
they should sell their frozen silk to the
Defense Supplies Corporation and also
wanted to know what action the Govern
ment proposed to take regarding the
present stock of silk in the hands of mills
and warehouses. Several reports pub
lished recently about the status of silk
have created some confusion in the trade.
Consumer protests bring price action by local governments in three places

Consumer protests throughout the country are becoming increasingly effective in keeping prices from advancing unjustifiably and gouging a hole in the family budget.

As examples of sections where consumers have been particularly successful in prompting action by local governments to check prices, Miss Harriet Elliott, OPA Associate Administrator, in charge of the Consumer Division, last week cited West Virginia, Lawrence, Mass., and Chicago.

In West Virginia, consumers early this summer besieged Governor Neely with protests of the high cost of living, urging that "somebody do something" about it. Responding to complaints from individual consumers, petitions from consumer organizations, trade unions, and farm groups, and newspaper comment, Governor Neely drafted Dr. Julius Cohen, professor of government at the University of West Virginia, to help formulate a consumer-protective legislative program.

Two old statutes found

Digging through the old State statutes, Dr. Cohen found a long-forgotten law, never invoked, revealing that the State Commissioner of Agriculture had authority to regulate and supervise the operation of public food markets. In addition, this law required him to take action to insure that consumers got food products of uniform grade and quality at fair prices.

Dr. Cohen's research also brought to light an old statute dealing with weights and measures. Never previously enforced, this law was the basis for the appointment by Governor Neely of a staff of weights and measures inspectors. Bright, new labels are now decorating the scales in many a West Virginia store, showing that they have been tested and approved by a weights and measures inspector, and that in those store consumers can be sure they are getting what they pay for.

"Battle of the milk bottle" won

Governor Neely also set up a 4-man consumers' research committee—promptly labeled by the press as "the antiprofiteering committee"—in the State Department of Agriculture. The State Attorney General was appointed chairman; Dr. Cohen, who is now on leave of absence from West Virginia University, executive secretary, and the Commissioners of Labor and Agriculture as the other two members.

With newspaper and consumer support, the "antiprofiteering committee" swung into action to protect West Virginia consumers from unjustifiably high prices. The first problem taken up was that of milk prices in Logan County, where milk was selling for 16 cents to 18 cents a quart. The "battle of the milk bottle," which was given much publicity by newspapers, the radio, and consumer groups, was won by the committee—and milk dropped to 14 cents a quart.

Retail grocers' aid enlisted

To check food prices, the committee next enlisted the aid of the West Virginia Association of Retail Grocers. Forms prepared by the State Department of Agriculture were sent to retailers for information on food prices, both wholesale and retail. Other food-price forms were prepared for consumer groups to give housewives for filling in. Similar information is being collected on rents.

In Lawrence, Mass., a city of textile mills booming with defense orders, Miss Elliott said tenants have had their rent advanced as many as two or three times within the last 6 months—in spite of lower tax assessments on real estate than last year.

Taxing power used as stick

Considering these rent increases as profiteering, the fair rent and price committee of the textile workers union recently protested to Mayor Walter A. Griffin. The mayor went into immediate action, calling in the landlords responsible. In most cases he found the landlords responded to reason. But where they did not, the Mayor indicated that property which has so increased in value as to warrant a raise in rents must also have increased in value sufficiently to justify a reassessment for tax purposes.

Since then, Miss Elliott said, reports of rent increases in Lawrence, Mass., have decreased markedly.

In the third locality cited by Miss Elliott—Chicago—Mayor Edward J. Kelly in response to consumer protests set up a special committee of three aldermen to investigate what the mayor called "the alarming trend" of rising prices and rentals.

Appointed on August 21, the committee is responsible for making a thorough investigation of the price situation in Chicago, paying particular attention to prices most affecting the living costs of the average citizen and householder.

The committee will hold public hearings to ascertain the facts—it has already started hearings on the price of milk in Chicago—and will then make a complete report to Mayor Kelly.

Excise tax should not be added to consumer price but once, Henderson says

Manufacturers, wholesalers, and retailers dealing in articles subject to the new Federal manufacturers' excise taxes were asked October 1, by OPA Administrator Henderson, to exert their utmost efforts to prevent price increases to ultimate consumers exceeding the actual amount of the additional tax.

Excise taxes of 10 percent applied that day for the first time to such articles as electric, gas, and oil appliances, including flat irons, fans, stoves, mixers, and vacuum cleaners; to a large list of rubber products, excluding footwear, and to electric light bulbs. As applied to articles that have carried excise taxes previously—such articles as automobiles, tires, tubes, radios, and household refrigerators—the new rate will be double or nearly double the old one.

"The increased prices paid by consumers as the result of the new levies should in no case reflect more than the actual dollar amount of the manufacturers' total excise tax," Mr. Henderson stated. "This policy should be applied to cases where excise taxes are continued and increased as well as where taxes are now being levied for the first time.

"Pyramiding of these taxes must be carefully guarded against. Where a manufacturer sells an article for $100 and passes on the 10 percent excise tax it results in a price of $110 to the wholesaler. Should the latter compute his regular mark-up price on the $110 price, instead of on the $100 base, the price to the retailer will be raised by more than the amount of the tax. If the retailer in turn calculates his mark-up on this total, the final cost of the article to the ultimate consumer will be raised considerably in excess of the actual excise tax.

"Properly figured, the tax should be left out of all mark-up calculations. The threat to the general price structure if pyramiding of the new tax is resorted to by distributors of merchandise is real and dangerous."
News for Retailers

Manufacturers' Excise Taxes

Seconding the request of Leon Henderson, Administrator, Office of Price Administration, that retailers, manufacturers, and wholesalers exert their utmost efforts to prevent pyramiding the new Federal Manufacturers' excise taxes, the Retailers' Advisory Committee sent telegrams last week to national trade associations of retailers who deal in durable consumer goods.

The wire read:

"The Office of Price Administration has requested the cooperation of retailers all over the United States in preventing the application of retail margins to the manufacturers' excise tax on consumer goods, effective October 1.

"Your committee feels it is expressing the opinion of all retailers and of your trade association in stating that it considers it imperative that no margins should be charged on taxes levied at the manufacturing level." The following is an instance of tax pyramiding:

A manufacturer sells an article normally priced at $100 and passes on the 10 percent excise tax by raising the factory price from $100 to $110 to the wholesaler. Should the latter compute a mark-up of 40 percent on cost of $110 instead of $120. Then if the retailer in turn calculates a mark-up of 40 percent on cost on $121 instead of $120 he increases the retail price to $169.40. If the mark-up were left out of all mark-up calculations, the wholesaler and retailer would be left with only from $154 to $164, but In pyramid of $121 instead of $120. Then if the retailer in turn calculates a mark-up of 40 percent on cost on $121 instead of $120 he increases the retail price to $169.40. If the mark-up were left out of all mark-up calculations, the wholesaler and retailer would be left with only

The law does not prohibit a manufacturer from quoting the tax as a separate charge. When the tax is passed on, the manufacturer, at his option, may bill the amount of the tax as a separate item or include such amount in the sale price of the article.

The law provides a penalty for false statements to purchasers regarding the tax. Thus, a person making a statement, whether written or oral, that any part of the sale price of an article consists of a tax imposed by the Federal Government, and knowing that such statement is false or that the tax is not as great as the portion of the sale price ascribed to the tax, may be subjected to a fine of not more than $1,000, or to imprisonment for not more than one year, or to both.

Refrigerator Cut

Any immediate reduction in supplies of refrigerators to dealers because of the production cut ordered for domestic mechanical refrigerators by Donald M. Nelson, OPM Director of Priorities, last week, is not expected to be so drastic as the 43.2 percent figure implies. Civilian Supply officials point out that the expenditures are based on the average monthly factory sales in the 12 months ended June 30, 1941; the order applies to the 5 months from August 1 through December 31, 1941.

The major part of these 5 months are characteristically slow months for refrigeration and air-conditioning equipment that was deficient in Freon were instrumental in the issuance of the program, which gave first call on available supplies of Freon to installed equipment.

Manufacturers of new refrigerators, who previously had access to sufficient quantities of the refrigerant due to superior trade contacts, were allowed to contract supplies only after demands for Freon were curtailed by intensive servicing departments. Protests from retailers in all sections of the country who previously had access to sufficient quantities of the refrigerant due to superior trade contacts, were allowed to contract supplies only after demands for Freon were curtailed by intensive servicing departments. Protests from retailers in all sections of the country that they were unable to service refrigerating equipment for the use of some other re

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The major part of these 5 months are characteristically slow months for refrigerator production, and the limited output during the 5 months is only about 2 percent under average output for the same period last year.

Sales during the past few months have been at record levels. Shipments of electric household refrigerators from manufacturers to dealers and distributors for the first 8 months of the year were over 30 percent above the same period last year.

Since some of the recent buying was done in anticipation of the limitation order, the new 10-percent tax on sales of refrigerators in effect October 1, or the installment credit curbs, demands for new units is expected to slacken somewhat anyway.

Meanwhile, retailers are expecting to feature their service departments for the duration of the materials stringency.

The program is expected to produce almost three times the number of new units needed to replace the 700,000 that were cut out annually, but defense officials are encouraging owners of existing equipment to conserve carefully the refrigerators they now own, so that householders not now owning refrigerators may have first chance at the new models produced.

The Consumer Division of the Office of Price Administration has prepared a bulletin entitled, "Your Refrigerator and National Defense," urging consumers to take good care of their refrigerators as an aid to defense. The booklet will be available soon for free distribution.

The Freon shortage was first felt in servicing departments. Protests from retailers in all sections of the country that they were unable to service refrigerating equipment for the use of some other requisition to be supplied were promptly fulfilled.

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Ceilings set on carded cotton yarns based on market price of “spot” raw cotton

Ceiling prices directly keyed to the market price of “spot” raw cotton are established for the full range of ordinary commercial carded cotton yarns, base material for all of the more common grades of cotton fabrics, in a new price schedule issued October 4 by OPA Administrator Henderson.

This is the first formal ceiling in the cotton goods field incorporating OPA’s recently announced formula for automatic adjustments in maximum prices of yarn and grey goods whenever the market price of raw cotton declines or advances by a specified number of points.

The formula is also being worked out for application to combed cotton yarn and the types of cotton grey goods now covered by price ceilings, as well as for the numerous other constructions of cotton cloth to be added shortly to the grey goods schedule.

In gearing maximum prices for carded yarn to cotton prices, a base of 15.99 cents a pound for raw cotton was used. This was the average price for cotton on 10 “spot” markets July 19, 1941, when the prevailing ceilings were established for combed yarn and grey goods. Using the 15.99-cent cotton price as a base, the carded yarn schedule sets maximum prices ranging from 35 to 55 cents a pound for the various numbers in single ply and from 38 to 61 cents for numbers of two or more plies.

Adjustments for change of 44½ points

Adjustments of one-half cent a pound above and below these “base prices” are provided for all numbers of yarn, single or plied, whenever a change of 44½ points occurs in the price of raw cotton as measured by the average closing price of 10 “spot” middling grade on the 10 “spot” markets for the previous day.

Using 20’s, a leading number, for purposes of illustration, the formula works as follows:

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<thead>
<tr>
<th>“Spot” raw cotton (cents per pound)</th>
<th>Ceiling prices (cents per pound)</th>
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<tr>
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<td>20’s (single)</td>
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<td>14.21-14.65</td>
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<td>18.23-18.65</td>
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1 Base.

Since the average closing price of “spot” cotton on October 2 was 17.01 cents a pound, or 102 points above the 15.99-cent “base”, the maximum prices for 20’s as of October 2 were 39 cents for singles and 43 cents for plied, or one cent a pound above the “base prices.”

It is stipulated that carded yard ceiling prices automatically established by application of the formula shall not change until the day after “spot” cotton closing prices show a 44½-point fluctuation.

The maximum “base prices” set for carded yarn are 3 cents a pound below the corresponding numbers of combed yarn. However, more cotton is wasted in the production of combed yarn. Hence, the revised schedule for that type, now being prepared, will provide for upward and downward revisions of maximum carded yarn prices on changes of something less than 44½ points in raw cotton prices.

Amendment not practical

The first announcement that ceiling prices would be set for carded cotton yarn said that this would be done by amending the combed cotton yarn schedule, rather than by issuing a separate schedule. Subsequent adoption of the new price formula, however, made this impractical.

Normally, carded yarn, excepting certain special grades, sells below equivalent counts of combed yarn. Since the latter product has been subject to a schedule of maximum prices this normal differential has narrowed considerably and in some instances has disappeared. The result has been disturbing both to sellers and users of carded yarns.

Differential for combed and carded yarns

The new schedule, which was drawn up after consultation with a committee of carded yarn spinners drawn from the Cotton Textile Advisory Panel, establishes a differential between combed and carded yarn prices reflecting an appropriate relationship. At the same time, through use of the new formula, yarn trading will not be disturbed by changes in cotton prices.

Both combed and carded cotton yarns are produced from raw, clean cotton and, up to a certain point, are made by the same manufacturing process. In the final stages, however, combed yarn is put through an additional process which removes the short cotton fibres, leaving only the longer fibres. This results in a stronger yarn of fine quality suitable for weaving of fine broadcloths, lawns, dimities, etc., and for use in the production of higher grade net goods. Combed yarn also is used by women's hosiery mills and by lace, knitting, and thread manufacturers.

Carded yarn finds a much wider variety of uses, such as in the weaving of print cloths and sheetings and in the manufacture of carpets and rugs, twine, wire insulation, men's socks, and underwear.

Yarn “numbers” indicate the diameter of the yarn, with the coarser diameters represented by low numbers and the finer counts by high numbers. As the name implies, “single” refers to yarn of a single strand, while “plied” is yarn of two or more strands.

Applies only to yarn for sale

Like the combed yarn schedule, the new carded yarn ceiling applies only to yarn for sale and not to the yarn produced for use within the manufacturer's own plant. Sales for export are exempted from the schedule.

It is provided that once a contract has been made in conformity with the schedule it shall be completed at the stipulated price, irrespective of any changes in the ceilings that may occur because of fluctuations in raw cotton between the date of the contract and the date of delivery.

Deliveries under contracts made before the carded yarn ceiling becomes effective are to be carried out at prices correlated in the schedule to the “spot” cotton price on the day before the contract was entered into.

The schedule covers only carded yarn of ordinary commercial quality. About 10 percent of the total production of carded yarn is made up of certain special types. These yarns, the schedule indicates, should sell at the customary differential below or above the prices set for ordinary commercial grades.

Conferences to fix specific differentials for special yarns will be held shortly with yarn manufacturers. It is pointed out that, under the established policy of OPA, deliveries of such yarn, once the differentials have been fixed, will not be permitted at higher than ceiling prices, regardless of commitments to the contrary.
MEDIATION BOARD...

Consolidated workers reject agreement reached before Board; seamen's bonus settled

The National Defense Mediation Board last week obtained settlements in two cases involving 20,440 men and resumption of production in three additional cases where 2,583 men were on strike.

Consolidated Aircraft Corporation

Aircraft Lodge 1125, International Association of Machinists, AFL, at a meeting in San Diego, Calif., October 5, refused to ratify the agreement reached before the Mediation Board 2 days earlier between the union's representatives and the representatives of Consolidated Aircraft Corporation.

The union had demanded an increase of 10 cents an hour and when the company refused to grant more than a 5-cent increase, the union voted to strike the company's 27,000 employees on September 29. The case was certified to the Board September 24, and even before the Board wired the parties, the union issued statements in San Diego to the effect that there was no need to strike since the case had been turned over to the Mediation Board. Terms of the agreement which was subsequently rejected were not revealed.

Shipowners

The Board last week took an unprecedented step in its recommendations for settling the war bonus dispute between the shipping companies and the Seafarers International Union and the Sailors Union of the Pacific, both AFL. If the recommendations are finally accepted by the companies and the unions involved, the representatives of the Seafarers International Union, AFL, agreed to carry these recommendations to their members and explain to them why it was in the union's interest to accept and to explain "the membership's responsibility in connection with these recommendations."

American Brake Shoe & Foundry Co.

After 3 days of hearings, the Board obtained an agreement for settling the union shop and wage dispute between the American Brake Shoe and Foundry Co., Mahwah, N. J., and the International Molders and Foundry Workers Union, Local 315, AFL. Terms of the agreement were not revealed and were subject to ratification by the union. A strike of 440 men since July 23 was called off September 24 at the request of the Board.

After 2 days of hearings on the issue of wage classifications, an unauthorized strike involving 1,600 men halted production October 2 at three plants of the Beeze Corporations, Inc., in Newark and Elizabeth, N. J. The Board immediately informed the international officers of the United Automobile Workers, CIO, that it would not resume consideration of the case until the men returned to work. At a meeting of the union the morning of October 3, the men voted to call off the strike and return to work on the afternoon shift. Accordingly, hearings were resumed the following morning and continued over the week end.

Agreement was reached without the necessity for Board hearings in the dispute between the Shaw-Box Crane and Hoist Division of Manning, Maxwell and Moore, Muskegon, Mich., and the United Auto Workers' Local 644, AFL, over the union's demand for maintenance of membership and wage increases. A strike since September 17 was called off when the union and the company reached an agreement in Muskegon October 3.

Bituminous coal—Alabama and captive mines

Following 2 days of hearings, the Board told the representatives of the Alabama coal mines and of the United Mine Workers of America, CIO, October 3 that it had sufficient information on which to make recommendations for settling the dispute and would do so as soon as possible. The case involves 22,500 miners and the main issues still in dispute are a demand by the union for a 40¢ increase in the daily wage and abolition of the wage and loss clause in the contract. Hearings in the dispute between the captive coal mine operators and the United Mine Workers of America will be resumed October 7.

After 5 days, the Board on October 3 adjourned the hearings on the dispute between the Ohio Brass Co. and the United Electrical, Radio and Machine Workers of America, Local 747, CIO. Unable to obtain an agreement between the parties, the Board announced that it would appoint a special representative to investigate the issues and report back his findings. The union had called off its strike of 600 men at the company's plant in Barberton, Ohio, September 18 after the company accepted interim recommendations from the Board providing for a return to work without discrimination and containing a clause which would make any wage increases retroactive to the date of return to work. The union had accepted the recommendations when they were made August 14. The company accepted after a month's deliberation and the men returned to work.

The Steel Workers Organizing Committee, CIO, informed the Board October 4 that it was calling off its strike of 400 men at the plant of the Arcade Malleable Iron Works, Worcester, Mass., pursuant to a Board request which followed certification the previous day. The strike, which had lasted 2 months, grew out of the union's demands for increased wages and a union shop. The company makes torpedoes and aircraft engine parts.
HOUSING...

Priorities mean sacrifice but not ruin for mortgage bankers, Palmer asserts

Priorities for defense housing do not mean that the mortgage banker will be put out of business. Defense Housing Coordinator Charles F. Palmer told the Mortgage Bankers Association of America on October 3, but "I must tell you bluntly that you face sacrifices."

Excerpts from Mr. Palmer's address follow:

For many weeks I have been working with OPM to set up a procedure to grant priorities aid to the home building industry. That procedure went into effect September 22. It will assure priority aid for 200,000 privately financed defense homes. In other words, private industry can now be sure of getting the critical materials needed to house 200,000 families of defense workers.

"Mortgage business will continue"

From your point of view this means that mortgage business will continue to be done in this country and that the defense program is not going to put you out of business. At the same time, I must tell you bluntly that you face sacrifices. The mortgage business is going to be curtailed. These defense homes cannot exceed $6,000 in value and must be built in defense areas for defense families. You cannot expect "business as usual" under these conditions. But we cannot build America's defenses unless we all make sacrifices, and, in the housing field, this means that all our energies must be devoted to housing essential for defense.

I do not bring you the message that we in Washington guarantee through the housing priorities system continued normal prosperity for mortgage bankers. That procedure went into effect on paper, but would have bogged down in practice. The well-organized and efficient building organizations of the Government would have been over-expanded with serious loss of efficiency, and the facilities of the numerous private contractors who are capable of rapid and economical construction would have been wasted. Our objective has been the same as that of the whole defense program, to use all existing organizations to their full capacity with as little confusion and delay as is humanly possible. Progress has been good so far, and the

1,835 defense homes listed as completed in week

Charles F. Palmer, Coordinator of Defense Housing, announced October 2 that 1,835 new publicly financed homes for families of defense workers and enlisted personnel had been completed during the week ending September 27, making a total of 38,395 now ready for occupancy.

With 715 homes going into construction during the week, the total of publicly financed homes completed or now being built reached 91,213.

Federal funds have already been allotted for 118,935 defense homes. FHA-inspected privately financed homes started during the week, totaled 4,732. Since January 1941, such homes numbering 166,161 have gone into construction.

The total number of dormitory units for occupancy by single defense workers has reached 8,578.

Privately built defense housing has amounted to several times as many dwellings as those built by the Government.

Problem of material priorities

Now we come to a new problem, the difficult matter of priorities in materials. Here also, the Government has the intention of favoring public housing as much as possible, but only of favoring whatever use of scarce materials is deemed to be most valuable for defense.

While we are continuing under the system of priorities to encourage all possible private housing construction in defense areas, necessarily the priorities will reduce building activity in other parts of the country. This effect will be a hardship both to investors and to contractors and workers in the nondefense areas. To some degree, the curtailment of nondefense construction will be relieved by transfer of workers, by contractors bidding for jobs in defense areas, and by transfer of capital or its temporary investment in defense bonds. Another feature that will help to relieve the distortion of defense construction is the spreading of defense contracts by subcontracting, a difficult job that is being tackled and that deserves to be encouraged by everyone who is interested in easing the burden that must be carried.

President approves plan for 1,400 more homes

President Roosevelt determined October 2 that a need exists for 1,400 homes for families of industrial defense workers and enlisted personnel in five localities, upon recommendation of Defense Housing Coordinator Palmer.

In addition, the President approved provision of 50 dwelling units and the construction of a trailer park under the temporary shelter program of the Division of Defense Housing Coordination. The trailer park will provide facilities for families of workers who own trailers parked under insanitary conditions.

The program follows:

Permanent: Pittsfield, Mass., 100; Astoria, Oreg., 100; Portland, Oreg., 400;
Texas, 400; Tacoma, Wash., 400.
Temporary shelter: Seneca County, N. Y.; Trailer Park; Pascagoula, Miss., 50.
AGRICULTURE...

Billion dollars' worth of United States food destined for Britain in next 5 months

A billion dollars' worth of food from America's farms is scheduled to go to Great Britain in the 5 months from October 1941 through February 1942.

That figure was used by Secretary of Agriculture Wickard in discussing the importance of American agricultural products to the United Kingdom and other countries resisting aggression.

A statement by Mr. Wickard follows:

In a sense, food products have been the most important products going to Great Britain under the Lend-Lease Act. While a decrease in the number of planes or other munitions supplied would have lowered the effectiveness of the British fighting forces, a substantial decrease in the amount of food furnished England might have made impossible a continuation of the fight against Nazi Germany. This may be even more true in the months just ahead than in those just past.

Britain must import

The United Kingdom is a densely populated island that cannot possibly produce enough to feed itself. In normal times, it imported about two-thirds of its food, relying on a continuous flow of supplies from abroad.

Fifty percent of Britain's meat was imported. Cheese is an essential part of the British workingman's diet, but 75 percent of Britain's normal supply had to be imported. More than one-third of Britain's eggs were supplied from foreign sources. For fresh fish, the United Kingdom relied largely on its own fishermen, but all canned fish was imported. Ninety-two percent of the consumption of oils and fats were imported. Among these items are the principal protein foods. The countries from which they came are now to a very great extent inaccessible to the United Kingdom.

In an effort to relieve the food and feed position, British agriculture has extended itself as far as was humanly possible. The acreage under the plow in Great Britain has been increased by 25 percent and is still growing, but it cannot begin to make up the deficiency caused by the war.

The United Kingdom is getting from Canada about all of the food which can be provided by that country.

The United States has assumed the responsibility of supplying some of the remaining British food needs. Up to August 31, 1941, there has been allocated to the Department of Agriculture about 333 million dollars for this purpose from the money appropriated for agricultural, industrial, and other commodities under the Defense Aid Supplemental Appropriation Act of 1941. Further allocations are currently being made as plans develop for new items or increased quantities. The proposal has been made that an additional allotment of a billion dollars be provided in a new appropriation. This is the very lowest estimate of funds needed for the commodities the Department has promised to supply to Britain. It includes purchases made and commitments entered into up to February 28, 1942.

One-third for pork products

Almost a third of the billion-dollar total is for pork products. The British people would prefer to have beef, but we have no beef surplus in this country, so they are taking pork, cured pork and canned pork chiefly, together with the lard that is a byproduct of the hogs that are raised to get this pork. In 1942 we hope to supply the British with some 1 1/2 billion pounds of pork and lard.

For dairy products and eggs, another third of the billion dollars is intended. The situation with regard to dairy products presents greater difficulties, so far as production is concerned, than pork.

Dairy products are not normally produced in sufficient quantities to provide an export surplus. In fact, we ordinarily depend upon a small net importation to meet United States requirements, yet, in 1942, we are planning to supply the United Kingdom with products from some 4 1/2 to 5 billion pounds of milk.

Rockefeller establishes new division to set up Tropical Agriculture Institute

Plans for the establishment of an Inter-American Institute of Tropical Agriculture were advanced September 27 when Nelson A. Rockefeller, Coordinator of Inter-American Affairs, announced the establishment of a Division of Agriculture in the Coordinator's Office and the appointment of Dr. Earl N. Bressman as director of the new division.

The new division will have as its primary objective the establishment and operation of the proposed Institute of Tropical Agriculture, long advocated by Vice President Wallace.

Dr. Bressman was assistant director of the Office of Foreign Agricultural Relations of the United States Department of Agriculture before joining the Coordinator's staff.

Mr. Rockefeller said:

"This project was first publicly announced by Vice President Wallace, as Secretary of Agriculture, when he outlined its objectives as follows to the Eighth American Scientific Congress held in Washington in May 1940:"

"Promotion of a better-balanced agricultural economy in the Western Hemisphere; preparation of comprehensive data on the agricultural problems of the American republics; development of a broad knowledge of tropical agricultural pests and diseases; solution of serious problems in crop and animal production; and creation of understanding among future agricultural leaders of the Americas."

"Other activities of the division will be concerned with maintaining liaison and close cooperation with the Departments of State and Agriculture in carrying out agricultural surveys in the other Americas and in carrying out the resulting recommendations."

A half billion dozen eggs

We ordinarily import a small part of our total egg requirements, yet we plan to supply the United Kingdom with about a half billion dozen eggs in 1942.

For most of the other items—including tobacco, cotton, and a number of vitamin-rich fruit and vegetable products—the billion dollars include only the amounts which must actually be paid out by February 28, 1942.

American farmers are supplying the British people with invaluable quantities of food. It is not to be thought, however, that this will keep the British in luxury or even restore their food consumption to the level prevailing before the war. On the contrary, the level being aimed at is only a safe minimum.
TRANSPORTATION...

Budd reports on a year's activities in transportation for defense

Transportation Commissioner Ralph Budd, OEM, reported September 27 on a year of defense transportation. His summary was made in the course of a speech to the Veterans' Association of the Burlington Lines, at Des Moines, Iowa. Excerpts follow:

INLAND WATERWAYS

On the Great Lakes, where always a tremendous volume of such strategic commodities as iron ore and coal are moved, the defense effort has required the movement of a greater volume of iron ore than ever was handled before. Because of the prime importance of keeping blast furnaces supplied, everything possible has been done to facilitate handling of iron ore to and from the docks as well as on the Lakes. This involved extra ice-breaking service which enabled the earliest start of navigation in the history of lake-carrier operations. It also involves new legislation which enables the use of Canadian boats in lake service between United States ports, and the carrying of heavier cargoes through relaxing restrictions as to the load-limit line of boats operating on the Lakes. The entire cargo fleet is being operated at capacity and several new records have been made of tonnage handled.

Arrangement has been made for additional steaming facilities to thaw ore in cars at Upper Lake ports which will enable shipments to continue late in the season of navigation. Ice-breaking service is being arranged through the cooperation of the Coast Guard, in order to extend Lake cargo operation later than usual. Plans are being made already for ice-breaking service in the spring of 1942. The Lake Cargo fleet has also handled a heavy coal traffic from the lower lake ports to Lake Superior and Lake Michigan ports, although the coal strike substantially reduced this movement until midsummer.

Barges and boats operating on our rivers and canals are, with minor exceptions, handling all the freight they can carry.

TRUCKS AND BUSES

Trucks. There has been a shortage of for-hire trucks for some time but this cannot be called serious because it does not impede defense production so long as other means of transport are available to move necessary traffic. There are about 600,000 for-hire trucks in the country and more of them should be built, to meet requirements. For-hire trucks constitute such an essential part of our transportation economy that there should be no difficulty in obtaining necessary materials to maintain the existing fleets and to make substantial enlargement.

As to the smaller types of trucks of which there are about four million, it would seem that no great hardship would be suffered if that number were not substantially increased, but new trucks and repair parts should be provided to replace worn-out trucks and to keep existing trucks in repair.

Buses. The most critical commercial transportation shortage which exists today is in the field of buses and streetcars. Manufacturers apparently prefer to build trucks and automobiles rather than buses but there is a real public necessity and a real defense need for increasing the number of buses, both city and inter-city, and for making moderate increases in the number of streetcars. It is also vital that repair parts should be provided to keep the existing units in full operation. Some special effort seems to be necessary in behalf of these particular forms of transportation, or the handling of employees at many defense plants and also civilians who wish to use urban and interurban transportation will suffer. Steps should be taken immediately to alleviate the situation. The matter is being handled to that purpose.

PIPE LINES

There has been no shortage of pipe-line capacity up to the present time, but on account of the withdrawal of tankers, pipe-line construction is being proposed because that means of transportation is more economical than railroad tank cars or highway trucks. While there is a considerable surplus of tank cars, it is doubtful that all of the requirements which may arise on account of the withdrawal of tankers from intercoastal service can be taken care of by that means.

AIRPLANES

There is a shortage of planes for commercial aviation, but it appears that the direct need of the Army and Navy for airplane manufacturing capacity is such that civilian supply will have to depend upon what they can spare from time to time. So long as there is ample transportation by highway and railway, the shortage of airplanes means only slower traveling for those who are unable to secure air passage between points in the United States.

RAILROADS

Passenger Equipment. Increasing volume of troop movements for maneuvers and other Governmental purposes, and on furlough, together with the fact that there are no priorities covering material for passenger equipment, may lead to some stringency in travel. The railroads have been urged to increase their standby supply of passenger cars by discontinuing some passenger service. As Transportation Commissioner I recently addressed a letter to all of the State Public Utilities Commissions outlining the necessity for this program in the interest of National defense. The response to this suggestion has been helpful, and in many instances arrangements have been made to discontinue trains where this can be done without much inconvenience.

Freight Equipment. Since the railroads still handle nearly two-thirds of the total freight traffic of the Nation and since during the World War the railroad machine became clogged and service was unsatisfactory, it is only natural that the spotlight of attention should be focused on the adequacy of railroad service. From the beginning of the Advisory Commission my office has been engaged in a constant study of railroad traffic demand, present and prospective, and has made recommendations to the railroads as to necessary equipment to meet the requirements. In July 1940, I recommended that the total ownership of railroad cars be built up from 1,848,696 to 1,700,000. This program was adopted by the carriers and necessary equipment was ordered. Due to inability to obtain material, principally steel, the program is now 20,000 cars short of schedule and worse still the rate of production has declined to only 3,650 cars in August. With the increase in the defense program and the adoption of Lend-Lease a new proposal was made early in 1941 that by October 1,
HEALTH AND WELFARE...

FSA has approved 256 recreation buildings to be paid for by U. S., McNutt reports

Calling public recreation a vital element in national defense, Paul V. McNutt, Federal Security Administrator, spoke on "The America We Defend" before the Twenty-sixth National Recreation Congress, meeting September 29 in Baltimore, Md. Administrator McNutt, who, as Director of Defense Health and Welfare Services, is responsible for the present Nation-wide defense recreation program, said in part:

As we prepare for national defense on a scale hitherto undreamed of, we must provide the leadership necessary to maintain the great gains made in public recreation during recent years. And we must also man the recreation sector in national defense. . . . Cities, towns, and villages all over the country are being inundated by servicemen on leave, and by defense workers. . . .

$150,000,000 for community aid

On the last day of June, Congress passed the Community Facilities Bill, under which Federal funds may be used to build recreation centers in defense areas. Although considerable advance planning had been done, the business of preparing applications and specific plans could not be undertaken until we had the law and the money. Of that money—Federal appropriation of $150,000,000—we have been able to secure about $17,000,000 for construction of recreation buildings. The remainder will be used for equally essential facilities—schools, hospitals, clinics, sanitation systems, and water lines.

"All possible speed"

The Federal Works Agency and the Federal Security Agency have had to lay out the entire program for all these expenditures.

I need not tell you there are plenty of headaches in . . . this omni-bus enterprise. It has been carried through with all possible speed—with due consideration for both the magnitude and the urgency of this undertaking . . .

Some 256 recreation buildings have been approved by the Federal Security Agency. Of these, 234 are to be located in the continental United States. Less than one-tenth of these buildings are estimated to cost more than $100,000 each. In these cases, the additional expenditure is required in order to provide more accommodations because there are more men to take care of than the standard building would serve; or to adapt the auditorium for double duty as both a gymnasium and entertainment hall; or to conform to city ordinances with respect to fireproof construction.

As of last Saturday, 62 plans had already gone through . . . the Federal Works Agency and the Budget Bureau and had been approved by the President. The PWA has assigned to General Somervell the construction work. He counts on having the buildings completed, with luck, in 2 months, and in any event within 3 months, after ground is broken. That means substantially all buildings finished by next January.

Defense towns resourceful

And meantime, neither the Federal Government nor the local communities, nor interested private agencies, nor individual citizens, have been sitting around waiting for somebody else to start. There are still a few towns where men looking for a place to spend their leave can choose only between the sidewalks, the honky-tonks and their even more questionable neighbors.

The typical defense town today may be overcrowded and hard-pressed. But it is on the job . . . Lacking other facilities, local recreation committees have been ingenious in utilizing high school gyms, church parlors, country clubs, vacant stores, and family living rooms. The agencies of the USO are operating in temporary quarters, pending completion of the Federal buildings which they will staff. The National Recreation Association has given all possible assistance. All in all, the composite picture is one of community hospitality that is spontaneous, open-handed and genuinely friendly . . .

America needs recreation now

The American people need recreation—and they need it now as part of national defense.

1943, the railroads should increase their freight car ownership to 1,800,000. This program would entail replacing cars retired as well as adding 100,000 to the goal previously set, or a building program of 160,000 cars during the next year. This goal can be attained only if material is made available.

CARLOADINGS REACH NEW PEAK FOR YEAR

Revenue freight carloadings during the week ended September 27 reached a new peak for the year with a total of 819,510 cars, an increase of 11.8 percent over the 822,434 cars loaded during the corresponding week in 1940. Increases were registered in all major commodities except livestock which showed a decrease of 5.7 percent. The details follow:

CARLOADINGS, WEEK ENDED SEPT. 27

<table>
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<tr>
<th></th>
<th>1941</th>
<th>1940</th>
<th>Percent Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grain and grain products</td>
<td>60,490</td>
<td>59,932</td>
<td>8.6</td>
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<tr>
<td>Livestock</td>
<td>16,513</td>
<td>17,517</td>
<td>5.7</td>
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<tr>
<td>Coal</td>
<td>170,759</td>
<td>168,484</td>
<td>1.3</td>
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<tr>
<td>Coke</td>
<td>13,900</td>
<td>11,900</td>
<td>16.2</td>
</tr>
<tr>
<td>Forest products</td>
<td>45,320</td>
<td>46,568</td>
<td>2.7</td>
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<tr>
<td>Ore</td>
<td>71,207</td>
<td>67,215</td>
<td>6.0</td>
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<tr>
<td>Miscellaneous</td>
<td>160,393</td>
<td>158,034</td>
<td>1.5</td>
</tr>
<tr>
<td>Total</td>
<td>919,510</td>
<td>822,434</td>
<td>11.8</td>
</tr>
<tr>
<td>Cumulative (66 weeks)</td>
<td>31,363,484</td>
<td>26,590,040</td>
<td>17.6</td>
</tr>
</tbody>
</table>

* Decrease.

Silk substitution section corrects order form

Former users of silk and producers of rayon yarn were notified October 3 by the Silk Substitution Section, Division of Purchases, of an error in Form PD-113, which is to accompany all orders for the rayon yarn set aside for former users of silk. The error was contained in the formula for converting rayon yarn ordered into the equivalent of 100 denier yarn.

As corrected, the formula reads:

"Divide the pounds of each item being ordered in column two by the denier of such item in column three, but not by more than two hundred, and multiply the result by one hundred to obtain the equivalent of one hundred denier in column seven."

Producers were instructed to return to the manufacturer any of the forms in which the wrong formula was used, to enable the manufacturer to prepare a correct certificate.
CIVILIAN DEFENSE . . .

Mrs. Roosevelt calls on youth to find its part in emergency

In her first public appearance as Assistant Director of the Office of Civilian Defense, Mrs. Eleanor Roosevelt on October 2 participated in a radio symposium sponsored by the International Student Service of New York, including the following participants: Stirling Tomkins, Jr., junior chairman of the Yale Daily News; Jane Seaver, youth representative of the Volunteer Participant Committee of the Office of Civilian Defense; Louise Morley, conference secretary of International Student Service and chairman of the Youth Subcommittee of the Advisory Committee of the National Youth Administration; Jane Filpumton, chairman of the Vassar Political Association; Elizabeth Robertson of the Texas State College for Women; who is president of the National Student Federation of America; and Joseph P. Lash, general secretary of International Student Service.

"Unless youth is interested . . ."

In her opening statement, Mrs. Roosevelt said:

"I am interested in the part that young people play today in public affairs, for the very good reason that unless youth today is interested, not only in the part they can play in the present emergency, but in their responsibility for action when peace comes, we may find ourselves repeating many of the mistakes which history, I think, will say we committed in the 1930's.

Youth's obligation

"Young people learn best from young people. Those who do understand how important are the problems of today, have an obligation to communicate their concern to others of their generation. The young people who have the privilege of a college education, because of their contacts with the faculty, and with people who are taking part in the world of affairs, have an opportunity to study the past and the present, and to have a vision for the future. They are no wiser than other young people because they lack certain vital experiences in life that other young people may have had, but they have a special contribution of their own to make, and it should be in the realm of leadership of thought, and of vision for the future."

Manual planned

Miss Seaver said that among the early objectives of the Office of Civilian Defense is the preparation of a manual of projects in which young people may participate.

Concluding the symposium, Mrs. Roosevelt said:

"When all is said and done, the basic thing which must move all of us in this country, is our sense of responsibility as individuals to the future of Democracy. We must realize that the freedoms of speech, of discussion, and of meeting, and of final expression at the polls, must be preserved for us and for the world. Without them the future would be dark indeed, for you young people. With them, you can accomplish all the dreams you have for a better world for all of us."

OCD committees start work on fire defense program

Subcommittees of the advisory committee on civilian fire defense recently named by OCD Director LaGuardia were engaged October 2 in preparing a national civilian fire defense program. In addition to the study of fire prevention and protection, the advisory committee will study such questions as procurement, production, and maintenance of auxiliary fire-fighting apparatus.

Brig. Gen. L. D. Garver, of the board of civil protection of the Office of Civilian Defense, outlined the general problems of fire prevention and protection to the committee. William T. French, liaison officer, OCD, submitted to the committee the program thus far developed by the fire defense section of the civilian protection division of the Office of Civilian Defense.

George W. Booth, chief engineer of the National Board of Fire Underwriters, was elected chairman of the committee and Mr. French, secretary. Other members:

W. E. Bittner, assistant director of purchases, OCD; Horatio Bond, chief engineer, National Fire Protection Association; W. W. Dean, fire prevention section, Office of the Quartermaster General, War Department; Daniel A. Desay, chief, New York Fire Department, consultant of the Office of Civilian Defense; Commander Harold K. Hughes, Bureau of Yards and Docks, Navy Department; W. B. Palmer, chief, Fire Department, Charlotte, N. C., representative of International Association of Fire Chiefs; Dr. David J. Price, principal chemical engineer, Bureau of Agricultural Chemistry and Engineering, Department of Agriculture; George F. Richardson, secretary-treasurer, International Association of Fire Fighters, AFL Building, Washington, D. C.; R. E. Wilson, Insurance Committee for the Protection of American Industrial Plants.

Subcommittees named by the advisory committee include:

Policy: Mr. Booth, Mr. Bond, Mr. Richardson, and Dr. Price. Training: Mr. Richardson, Chief Palmer, Chief Desay, and Mr. Bond. Consultants: W. Fred Heider, associate director, School of Technical Training, Oklahoma Agriculture and Mechanical College; William A. H. Beare, assistant director, School of Technical Training, Oklahoma Agriculture and Mechanical College; and Elmer Cox, of the United States Office of Education.

Internes from 15 republics begin study in United States

Thirty-seven medical Internes from 15 other American Republics have begun a year's study in leading United States medical institutions, it was announced last week by Nelson A. Rockefeller, Coordinator of Inter-American Affairs.
Methanol from wood put under price ceiling

Methanol made from wood, commonly known as wood alcohol, a basic industrial chemical that has advanced sharply in prices while markets for synthetic methanol have held firm at much lower levels, is brought under a uniform ceiling at 60 cents a gallon, delivered east of the Mississippi, in a price schedule announced October 4 by Leon Henderson. West of the Mississippi a maximum price of 63 cents is set.

Some quotations up 25 percent

In previous years, prices of wood alcohol have been largely governed by the price of synthetic methanol, which is competitive for most uses. However, with demand greatly stimulated by the defense program, wood alcohol markets recently have become disordered. Prices quoted publicly during the third quarter showed advances of 25 percent or more and large sales have been made at prices far above any published figure.

In contrast to the inflationary situation in wood alcohol, synthetic methanol prices have held steady at 30 cents a gallon during the first three quarters of 1941 and the largest producer has announced a reduction of 2 cents a gallon for the fourth quarter. This producer and the three other companies responsible for virtually the entire United States output of synthetic methanol have agreed with the Office of Price Administration to not raise prices without at least 30 days' advance notice to OPA.

Covers containers of 50 gallons or more

The new schedule on methanol from wood, which covers all transactions in containers of 50 gallons or more, sets a maximum price of 60 cents a gallon, delivered in tank car lots, for the four principal grades of wood alcohol sold east of the Mississippi River. West of the Mississippi 3 cents a gallon may be added to the base ceiling price.

When sales in any territory are made in carload quantities in drums or other containers, the schedule allows the addition of 6 cents a gallon. In the case of less-than-carload sales in drums or other containers, 16 cents may be added.

The four grades named in the schedule are: Denaturing, pure, 95 percent, and 97 percent. The percentage designations shall include all approximations thereof, it is stipulated. Sworn statements of compliance with the maximum prices are required by the schedule.

A request for an over all increase of $2.00 per 1,000 board feet in the established maximum prices for No. 2 grade Southern pine lumber produced in Virginia and North Carolina was refused October 3 by OPA Administrator Henderson.

Contend costs are higher

Freight rates on 1,000 board feet of lumber from Virginia and North Carolina mills to such major industrial centers as New York, Philadelphia, and Baltimore are from $2.50 to $5.00 less than freight charges to these centers from Georgia mills. Under the OPA price schedule, ceiling prices at mills are the same in all Southern States for given grades of lumber.

The Virginia and North Carolina mills asked that they be permitted to take advantage of this difference in freight rates by adding $2 per 1,000 board feet to the ceiling price in their States. They also contended that their costs were higher than in other States.

Consumer Division adds four to field staff

Appointment of four new members of the field staff of the Consumer Division, Office of Price Administration, was announced September 30 by Harriet Elliott, Associate Administrator of OPA. The new field workers are: John W. Edelman, representative for the New York and New England area; Mrs. Ethel P. Haselkorn, associate field worker for the consumer problems of labor; Samuel Jacobs, of Detroit, Mich., and Mrs. Loretta Vrooman, of Des Moines, Iowa, regional representatives for the Midwest; and Mrs. Ethel P. Haselkorn, associate field representative for the New York and New England area.

OPA corrects silk price schedule

The Office of Price Administration announced October 4 an amendment to its raw silk price schedule to correct an error. In table II of appendix A the maximum price of yellow China silk, grade E, 13-15 to 18-20 denier, inclusive, should read $2.96, instead of $3.96, according to the amendment. The amendment is effective as of September 30, 1941, the date table II was issued.

“Dry wash” rating for washing machines urged

Minimum standards of performance and a uniform method of rating capacities of domestic washing machines, which could be used by manufacturers and distributors in informing consumers of the service to be expected from household laundry equipment, were explored at a meeting in Washington, September 29, by the American Standards Association’s committee on defense emergency standards for domestic washing machines. The meeting was attended by representatives of the industry.

“Dry wash” measure urged

The committee unanimously agreed to recommend that manufacturers designate washing-machine capacity in terms of “pounds of dry wash” in place of the dozen-odd methods now in use. A technical subcommittee was named to develop a standard method for testing the washing effectiveness of laundering equipment in order to provide prospective purchasers with uniform information. Another subcommittee was named to work out definitions and minimum standards for other requirements of washing machines such as safety and durability.
"Flying squadron" of engineers to visit areas threatened with defense unemployment

A "flying squadron" of 50 engineers to determine whether industries threatened with priorities unemployment can be converted to defense production will be established immediately, Floyd B. Odium, Director of the Contract Distribution Division of OPM, announced October 1.

Mr. Odium made the announcement at the organization meeting of the engineering advisory committee he established the previous week to assist the division in speeding up defense production and relieving priorities unemployment by spreading defense work.

To supplement present force

Members of the committee agreed to help the division obtain the 50 qualified engineers immediately. This staff will supplement engineering forces already maintained by the division in Washington and in the field, visiting communities or whole industries where the Labor Division of OPM finds that severe unemployment exists or is threatened due to shortage of material for nondefense work.

Cases in which the engineers find that plants can be converted to defense production will be certified to the War and Navy Departments and the United States Maritime Commission with recommendations that suitable defense orders be placed with these firms.

Mr. Odium told the committee that the number of priorities unemployment cases now being investigated by the Labor and Contract Distribution Divisions for certification represented "only a flea bite" compared with the total number expected in coming weeks.

Members of the engineering committee, in addition to those listed previously in Defense, are Eiwood Horton, New York City; Mr. McCrery, New York City; H. G. Crockett, New York City; R. K. Blanchard, American Society of Mechanical Engineers; Dr. M. I'ttner, Jersey City, N. J., and Charles H. Cogan, American Society of Electrical Engineers.

MATS OF CHARTS

Mats of the pictorial statistics appearing weekly on the cover of Defense are available in newspaper-column size, on request to Distribution Section, Division of Information, Office for Emergency Management, Washington, D. C.