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### Defense Progress

**Mannpower**
- United States Army, Oct. 9... 1,388,500
- Navy and Marine Corps, Oct. 1... 566,699
- Nonagricultural workers, Aug... 3,659,200
- Percent increase since June 1940... 11.9
- 18 defense industries, Aug... 12,503,900
- Percent increase since June 1940... 60.6

**Finance**
- June 1940 to latest reporting date in millions of dollars
- Authorized program Oct. 1... 1,572,962
- Contract awards Sept. 30... 57,404
- Total disbursements Sept. 30... 358,400

**Production**
- Paid on contracts, June 1940–September 30, 1941... 3,482,000,000
- Military aircraft, September... 1,014
- Combat vessels in September... 4
- Merchant ships, September... 9

**Week ended October 18**
- Significant defense strikes in progress during week... 8
- Number settled... 1,200


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Review of the Week

OPM hit its stride last week in the program to divert scarce materials to defense. The Priorities Division virtually forbade the use of copper for a long list of civilian products, through the most far-reaching action of its kind yet taken. Another priorities order prohibited the expenditure of such metals as aluminum, copper, chrome, and nickel for ornamenting passenger automobiles after December 15.

The Priorities Division also extended through December the curtailment of light truck output for civilian use, announcing that much of the facilities thus released might be shifted to production of military vehicles. Director Nelson issued an order formalizing the maximum passenger-car production allotments for December, which had been announced earlier.

Lead pool ordered

Refiners of lead were ordered to set aside 15 percent of their November production to be allocated by the Priorities Director. The Office of Price Administration made an upward adjustment in maximum prices of zinc dust, to assure continued volume of this material for use in mining and the manufacture of chemicals, paints, and dyes. OPA approved above-ceiling prices to keep in action three copper producers whose costs are higher than average, and took a similar step on behalf of a small ethyl alcohol factory.

Steel plant recommended for West Coast

To supply shipbuilders and other defense industries on the West Coast, OPM recommended to the Defense Plant Corporation that a new steel plant be erected at Pittsburg, Calif., capable of turning out 500,000 tons of plate and 30,000 tons of castings a year. To free mills for defense work, OPM asked a reduction of 50 percent in the number of styles in angle shapes, and of nearly as much in beams, channels, and other steel shapes. OPM announced a program was ready for action in case rains do not come to alleviate the power shortage in the Southeast.

During a week in which OPM stated that "the interruption of work by strikes or slowdowns is the greatest help the aggressors can get," Alabama coal miners accepted recommendations of the National Defense Mediation Board and decided to go back to work; but John L. Lewis, president of the United Mine Workers, refused to prevent a strike in "captive" mines which supply steel mills.

Gasoline restrictions revoked

Acting on the recommendation of Petroleum Coordinator Ickes, who announced that England has fulfilled its program in petroleum and will return 40 tankers provisionally to the United States, Priorities Director Nelson revoked restrictions on gasoline distribution in the Atlantic Coast area.

Following up a finding of the Civilian Supply Division, the Priorities Director issued an order to distribute fairly the East's inadequate supply of waste paper. Eastern mills and plants using waste paper in paperboard or roofing mill products were required to cut consumption 10 percent weekly from a basic average, in a program to last from October 25 until November 22.

Defense officials tour Nation

In the effort to spread defense work into every possible plant, defense officials prepared to tour the Nation in a special train full of exhibits and interview 30,000 small manufacturers. On the basis of investigations by the Labor and Contract Distribution Divisions, OPM certified to the War and Navy Departments that Grand Rapids, Mich., and six other communities face severe unemployment because of material shortages and should be given special treatment in the award of defense contracts. A $12,000,000 award for antiaircraft gun mounts was given to three prime companies to be distributed among others in the household washer and ironer industry.

Price Administrator Henderson, after Canada abandoned the selective price ceiling system now practiced by the United States and substituted maximums on all commodities together with relative ceilings on wages, explained that he did not believe our own defense program has reached the stage where such measures are needed or wise. Nevertheless, he said, the action emphasizes the immediate need for enactment of the Emergency Price Control Bill as a "program for the immediate future."

Additional OPA action included the placing of two more industrial chemicals—acetone and butanol—under ceilings; the shifting of hide, kip, and calf hides to a shipping point basis; and an amendment to place processors and producers of continental raw cane sugar in a more favorable position.

Three leading producers of wood pulp for sale agreed to withdraw price increases and thereby removed for the time being the necessity for a price ceiling. A second proven violator of the iron and steel scrap price schedule decided to refund sums collected in excess of the ceiling.

Civilian Defense Week, November 11-16

The Office of Civilian Defense prepared to use Civilian Defense Week, proclaimed by President Roosevelt for November 11-16, in stimulating awareness among civilians and telling them how they can organize for their own protection.

Second violator of scrap schedule refunds excess

Another proven violator of the iron and steel scrap price schedule has agreed to refund to purchasers all sums collected in excess of the established ceiling prices since September 2, as result of direct action by the OPA. Administrator Henderson announced October 24.

This is the second case in which OPA has moved to carry out the firm policy announced by Mr. Henderson on August 28 of compelling strict compliance with the scrap schedule after September 2.

The first instance was announced on October 9 and involved restitution by one of the country's largest brokers and dealers in iron and steel scrap. The latest case concerns a relatively small Pennsylvania dealer who admitted several violations. As in the earlier action, OPA has decided not to release the name of the violator at this time.

Mr. Henderson said that cases are being prepared against a number of other violators, both large and small.
Use of copper for many civilian purposes prohibited in '42, cut for rest of '41

The Division of Priorities imposed additional rigid controls on copper and brass October 21, issuing Conservation Order M-9-c which virtually forbids the use of copper for many civilian products.

In the most far-reaching action of its kind yet taken, the order sets up these controls over both domestic and imported metal and scrap:

1. Use of copper in more than a hundred civilian articles is restricted to approximately 60 percent of a 1940 base period until January 1, 1942.
2. Use of copper in the manufacture of the articles listed is prohibited after January 1, 1942, except for nondecorative plating.
3. Use of copper in building construction is prohibited after November 1, 1941.
4. Use of copper in all items not listed is reduced to 70 percent of a 1940 base period.

The prohibited list includes seven general categories: Building supplies and hardware; house furnishings and equipment; dress accessories; jewelry, gifts, and novelties; burial equipment; automotive, trailer, and tractor equipment; and a miscellaneous list which runs from fire-fighting apparatus to toys.

Seven exceptions made

Seven exceptions are made. Restrictions do not apply to Army, Navy, Lend-Lease, or other Government defense agency contracts where the use of copper is specified; to products covered by underwriter or other safety regulations in effect on October 1, 1941; to copper used as a conductor of electricity; in chemical plants where corrosive action makes other materials impractical; in research laboratories; for condenser or heating exchanger tubes and tube sheets in steam generating plants and oil refineries where corrosive action invalidates the use of other materials, and in hydroelectric plants.

Reasons for the order are readily apparent in supply and demand figures for October 1941.

Army, Navy, Lend-Lease, and other primary defense agency demands for the month total 144,430 short tons. Total demand, including civilian, is 259,419 tons. Total production for the month, domestic, foreign and scrap, is 138,700 tons.

Estimates for 1942 show a continuing serious situation:

Supply—1,650,000 tons, of which approximately 600,000 will be made from imported ores, subject to shipping hazards.

Demand—For defense (all military, including Lend-Lease), 1,050,000; for essential civilian, 250,000; other civilian, 110,000; total, 2,400,000.

Indicated shortage, 750,000.

Efforts to increase supply

Every effort for expansion of supply is being made by the Office of Production Management, including exploration for new deposits. An additional 10 percent to the million tons to be produced domestically in 1942 is about the expected limit.

Approximately 600,000 tons of copper will come from imports next year. We import copper from Chile, Peru, Venezuela, Cuba, the Philippines, and Canada, with Chile providing 60 percent of our imports.

Chilean production has increased every month since the United States shortage developed and any large increase in supply probably will come from South America where potential copper-producing areas remain unexplored.

Principal demands for copper as a defense material are in the manufacture of brass for shell casings, wire, and cable for electric transmission lines, and a variety of maritime uses where salt-water corrosion must be avoided.

Shell-casing demands alone are expected to take one-third of our 1942 supply.

The order provides for limitation of inventory to a practicable working basis and defines copper and copper alloy as any metal containing 50 percent copper.

The order applies equally to scrap.

(OMB answers questions about application of the copper order—page 18.)

Scarce metals eliminated from auto decorations beginning December 15

Automobiles are going to lose some of their glitter in the interest of national defense under an order issued October 27 by Priorities Director Nelson.

Critical materials now used in the manufacture of decorative work in passenger cars are going, instead, into the manufacture of warships, munitions, and other things vital to defense.

The order provides that on and after December 15, 1941, the use of bright finish, bright work, metal finish, or body trim containing aluminum, copper, nickel, or chrome shall be discontinued in the production of new passenger cars, except where special permission is granted for bumpers.

There shall be no further production of such bright work, effective immediately, except in amounts necessary to complete passenger automobiles scheduled to be completed before December 15.

Minimum use for plating bumpers

Permission may be granted to use the restricted materials in the plating of bumpers and bumper guard assemblies, provided evidence is submitted to OPM's Division of Civilian Supply showing that all possible conservation measures have been utilized and that usage will be held to "minimum practicable quantities."

Restrictions on the use of copper in automotive equipment imposed under Conservation Order M-9-c, announced October 21, apply specifically to garage and automotive repair equipment, headlamp and head-lamp parts, headlights, hub and gas tank caps, miscellaneous fittings and trim, moldings, and rear view mirrors and hardware.

The limitation order issued October 27 does not specify what constitutes bright finish, bright work, metal finish, or body trim. Its restrictions apply not only to copper, but also to nickel, chrome, and aluminum.

Substitute other materials

Scarce and critical materials, which must be conserved for defense, have been used by automobile manufacturers in the following: Windshield wipers, window and windshield molding, lamps, exterior and interior body trim, door, regulator and compartment handles, instrument panel parts, steering wheels, radiator grills, hub caps, license plate holders, mirrors, horns, running board molding, heater units, radio equipment, seat adjustor handles, collapsible top equipment, bumper assemblies, etc.
MEDIATION BOARD...  
Alabama coal workers return; Lewis refuses to prevent "captive mine" strike

The National Defense Mediation Board last week (October 20-26) settled the Alabama coal case by recommendations which were accepted; settled two other cases by agreement; made recommendations in the captive coal mine and Vanadium cases; announced that a special representative would be appointed to investigate the issues in a sixth case, and received certification of 4 new cases.

Alabama coal mines

On October 22, the Board made public its recommendations for settling the controversy between the Alabama coal operators and the United Mine Workers, District 20, CIO. These recommendations contained provisions for a wage increase of 25 cents a day, a 30-cent vacation payment and the partial absorption of the washer loss by the operators. Several other minor issues were eventually settled by collective bargaining between the parties. The recommendations were accepted by both parties and the 18,000 miners in the commercial mines in that State returned to work October 27. An unauthorized strike had closed the mines October 20.

William H. Davis, chairman of the Board; Walter Teagle, and Hugh Lyons composed the panel which heard the case and issued the findings and recommendations. On September 6, the UMW had called off, at the request of the Board, a strike begun on September 2 and hearings had been held at various times during September and October. The mine workers had demanded a wage increase of 40 cents a day, abolition of the washer loss clause, and vacation pay. On the first point, the Board, after an exhaustive survey of the competitive and economic situation confronting the Alabama operators concluded that the operators should grant no more than an additional 20 cents per day until April 1, 1942. It added, however, that if a new cost determination is made by the Bituminous Coal Division prior to April 1, 1942, payments under the old agreements show a reduction in cost, then the miners shall be given the benefit of one-half of that reduction up to but not exceeding an additional 15 cents per day. The Board also recommended that the Bituminous Coal Division make a determination as soon as possible. If the new cost determination is made by the Division prior to April 1, 1942, the Board recommended that the operators absorb about one-third of the average washer loss, the effect being an increase in the tonnage rates of 4 cents a ton.

Mr. Lyons, the labor member of the panel, dissented from the Board's recommendations on two points—the wage increase of 25 cents and the washer loss recommendation. He said that they had been granted the full 40 cents a day increase and that a formula should have been worked out under which operators would eventually absorb the entire cost of the loss due to washing the coal. The Board by its recommendations, he said, was "temporizing with an admitted evil." Captive coal mines

At a press conference on October 24, Chairman Davis announced the Board's recommendations in the dispute between the captive coal mine operators and the United Mine Workers, CIO. The recommendations contained provisions for a wage increase of 25 cents a day, the $20 vacation payment and the partial absorption of the washer loss by the operators. Several other minor issues were settled by collective bargaining between the parties. The recommendations were accepted by both parties and the 18,000 miners in the commercial mines in that State returned to work October 27. An unauthorized strike had closed the mines October 20.

At the same time the recommendations were released, Mr. Davis, at the request of the White House, released the following statement:

"The President has considered the recommendations of the National Defense Mediation Board made this afternoon in the bituminous captive coal mine dispute. He has suggested to William H. Davis, chairman of the Board, that Mr. Davis request Mr. Myron Taylor of the United States Steel Corporation and Mr. John L. Lewis, president of the United Mine Workers of America, to assume the leading positions on the two sides of the joint board, if the parties to the dispute adopt the second alternative procedure recommended by the Mediation Board setting the long-disputed union shop issue between the parties as follows: "(1) If the parties are willing to agree beforehand that the recommendations of the National Defense Mediation Board shall together select an arbitrator who shall have the power to make a final decision binding upon both parties, except that the Board recommended that in any case, the parties should extend the temporary agreement under which production had been resumed in the mines since September 19. Under that agreement, both parties accepted the terms of the Appalachian agreement with the exception that the union shop clause was to remain inoperative while negotiations were in progress.

"Earlier in the week, John L. Lewis, president of the UMW, had written to Mr. Davis giving formal notice that the temporary agreement would expire Saturday, October 25, at midnight. This was in accordance with the terms of the agreement which stated that after the expiration of the 30 days truce, 3 days notice in writing from either party could terminate the agreement.

"At the same time the recommendations were released, Mr. Davis, at the request of the joint board, if the parties to the dispute adopt the second alternative procedure recommended by the Mediation Board setting the long-disputed union shop issue between the parties as follows: "(1) If the parties are willing to agree beforehand that the recommendations of the National Defense Mediation Board shall together select an arbitrator who shall have the power to make a final decision binding upon both parties, except that the Board recommended that in any case, the parties should extend the temporary agreement under which production had been resumed in the mines since September 19. Under that agreement, both parties accepted the terms of the Appalachian agreement with the exception that the union shop clause was to remain inoperative while negotiations were in progress.

"It became clear to the members of the Mediation Board that there could be no meeting of minds in the conference before it with respect to the two alternative recommendations that had been inserted in the present dispute, because of the possible repercussions of any agreement here made on the steel and shipbuilding industries, in one or both of which most of the interests involved in this dispute are engaged.

"In this national emergency the fullest production of coal is essential to the national defense program. This dispute has arisen, mediation has not brought about a meeting of minds, and the Mediation Board has been called upon to make recommendations.

"It is the opinion of the Board that the conditions, the coal situation, and the business environment in which the mines are located is such that the parties may be able to work out a plan of operation which will be acceptable to both sides.

"The President has also suggested to the president of the United Mine Workers, CIO, and the leading operators that the parties should be invited to come to Washington and discuss the matter with the President. The parties have been asked to report to the Mediation Board on October 25, at which time the Board will have available to it the information and data obtained in the course of the investigation and the recommendations of the Board.

"The President has also suggested that the parties undertake to work out as soon as possible a joint supplementary agreement to the recommendation of the Mediation Board on September 27, 1941, allowing payment of 30 cents per day vacation pay to miners in the trade, and providing for a board of arbitration to settle disputes between employers and employees.

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October 28, 1941

PRODUCTION...

Strikes are the aggressors' greatest aid; issues can be settled, says OPM

The Office of Production Management October 22 made public the following statement:

The defense program, which is growing larger every day, depends for its success on the patriotic support of labor and management. Uninterrupted production is the primary need. The interruption of work by strikes or slow-downs is the greatest help the aggressors can get in these days when material on the battlefields is everything.

The Office of Production Management directs attention to the fact that there is within the Government, machinery for mediation of disputes before stoppages occur. When any dispute arises, a telephone call to the Conciliation Service of the Department of Labor and the Labor Division of the Office of Production Management will be given immediate attention. Failing settlement, the dispute can be referred to the National Defense Mediation Board for final recommendation.

These means are provided in order to avoid breaks in production. We must have the man-hours on the job. Our President has said, "This is not the time to take chances with the national safety through any stoppage of defense work or defense production."

The Office of Production Management fully endorses the voluntary system set up to handle disputes, and it expects all parties involved in the production of defense material to take no action which will impede production.

Time is short. We need the man-hours; your country needs your strength and skill. Let us have all the cooperation and help possible.

The Office of Production Management

The four new cases certified to the Board last week are as follows: Sloss-Sheffield Steel and Iron Co., Birmingham, Ala.; and the United Mine Workers, CIO; Alabama By-Products Co., Birmingham, Ala., and the United Mine Workers, CIO; Bell Aircraft Corporation, Buffalo, N.Y., and the United Automobile Workers, CIO; and Robins Drydock Co., New York, N.Y., and the Industrial Union Marine & Shipbuilding Workers, CIO.

New steel plant

Recommendation for a new steel plant near San Francisco capable of turning out 50,000 tons a year of plate and 30,000 tons of steel castings has been made to the Defense Plant Corporation. It was announced October 24 by OPM Director General Kinnsen.

The plant will be operated by the Columbia Steel Co., a subsidiary of United States Steel Corporation, and will be located at Pittsburg, Calif., according to the report of W. A. Hauck, steel consultant, upon which the recommendation was based.

in progress which was ended September 22 after the temporary agreement had been reached.

American Cyanamid Co.

After 3 days of hearings in the dispute between the Calco Chemical Division of the American Cyanamid Co., Bound Brook, N.J., and the Chemical Workers Union, AFL, a settlement was announced, subject to union ratification. The terms of the agreement were not revealed but the controversy arose over wages and the type of shop. A strike involving 3,200 men was called September 29 but at the Board's request the men returned to work October 13. Telegrams to the Board from several leading figures in the rubber industry had urged speedy resumption of production as continuous strikes of any length would cause a shut-down in the entire rubber industry. The company makes chemicals essential to the production of rubber.

A panel composed of Walter Stacey, Roger Lapham, George Googe and Emil Rieve opened the hearings, at which time reprisals from District 50 of the United Mine Workers were to be allowed to participate. However, after it was determined that the National Labor Relations Board had denied a request by the United Mine Workers for an election on the plant and since the determinations of the National Labor Relations Board are binding, this request was not granted. A representative of the United Mine Workers and Mr. Rieve then withdrew. At a meeting in Bound Brook, the company announced the agreement reached before the Board in Washington.

Arcade Malleable Iron Works

A panel composed of George Stocking, John Connelly and Hugh Lyons, after 3 days of hearings in the dispute between the Arcade Malleable Iron Works, Waterman, Mass., and the Steel Workers Organizing Committee, CIO, was unable to reach an agreement on the issues. The Board will appoint a special representative to investigate the issues in the controversy which are wage and shop.

The company makes cast iron products and is pressing need. The interruption of work by strikes or slow-downs is the greatest help the aggressors can get in these days when material on the battlefields is everything.

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The Board on Saturday, October 25, made public its findings and recommendations in the dispute between the Vanadium Steel Corporation of Bridgeville, Pa., and the Steel Workers Organizing Committee, CIO. This case was certified to the Board on March 27, only a few days after the strike.

A strike on February 10 had been called by the union over the alleged violation of its contract by the company in hiring 6 guards without notifying the union that the positions were open and thus giving preference to union men. The union also demanded that they receive pay for the time they were on strike.

A one-day hearing on March 29 with the panel composed of William H. Davis, Roger Lapham and Thomas Kennedy resulted in a back-to-work agreement and the strike was ended March 31. A few days later Monsignor Francis J. Haas of Catholic University was appointed to investigate the issues. His report having been submitted, the Board made its recommendations in which it found against the union on all points and recommended that the 6 guards be retained by the company and that the strikers receive no pay for the time they were on strike.

In his report Monsignor Haas urged that the union officers who had called the strike in violation of the contract should be reprimanded and with this recommendation the Board agreed. As stated in the findings, the Board "must concerns without reserve the action of the officers of the local in violating the contract. Labor and the friends of labor have fought for years to achieve for unions contractual provisions for the peaceful settlement of grievances and disputes such as those in the contract before us. Adherence to procedures so established for the orderly settlement of industrial disputes without strikes or lockouts is fundamental to the whole process of collective bargaining. It is peculiarly essential in this period of national emergency. To disregard such procedures at this time is to invite a strike in a defense industry in violation of them is to do a great disservice, not only to labor but to the nation as a whole."

New cases

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New steel plant

Recommendation for a new steel plant near San Francisco capable of turning out 50,000 tons a year of plate and 30,000 tons of steel castings has been made to the Defense Plant Corporation. It was announced October 24 by OPM Director General Kinnsen.

The plant will be operated by the Columbia Steel Co., a subsidiary of United States Steel Corporation, and will be located at Pittsburg, Calif., according to the report of W. A. Hauck, steel consultant, upon which the recommendation was based.
PRIORITIES . . .

Use of waste paper by eastern mills cut 10 percent due to current shortage

Because the current supply of waste paper is inadequate to meet the needs of eastern producers of paperboard and roofing materials, a limitation order restricting by 10 percent the consumption of waste paper by eastern mill plants from October 25 to November 22, 1941 was issued October 25 by Priorities Director Nelson.

The order affects paperboard and roofing mill plants in the area east of a line running from the Canadian border through and including Buffalo, N. Y., Pittsburgh, Pa., Tallahassee, Fla., to the Gulf of Mexico.

The order became effective at 7 a.m., E. S. T., October 25, and ends at 7 a.m., E. S. T., November 22, 1941.

Consumers, defined as any mill or plant using waste paper in the production of paperboard or roofing mill products in the East, are required to cut consumption 10 percent weekly below a weekly average determined on the basis of a previous consumption period.

Temporary measure pending study

The order was recommended by the pulp and paper branch of the Division of Civilian Supply because the current supply of waste paper is inadequate to meet the needs of Eastern producers of paperboard and roofing materials essential for national defense, private account, and export.

Pending formulation of a more direct method of allocation to individual paperboard and roofing mill plants, it is necessary to effect immediately an equitable distribution.

3 methods of computing base period

Three alternative methods of computing the base period on which the 10 percent curtailment is applied are set forth:

1. Each consumer who has produced paperboard or roofing materials from waste paper for 5 weeks or more during the 10-week period ending at 7 a.m., E. S. T., October 4, 1941, shall total the consumption for the 5 peak weeks in that period, and determine from that figure the weekly average of consumption.

2. Each consumer who has been engaged in production for less than 5 weeks of the 10-week period shall total the consumption during the weeks of production and determine from that figure the weekly average.

3. Each consumer who has not produced paperboard or roofing materials during the 10-week period shall compute its "base" by estimating its weekly consumption when producing at peak capacity.

The order also states that consumers having inventories equal to or in excess of their weekly average consumption may buy waste paper during the next four weeks to only two-thirds of their past purchases. Those having inventories less than the base may buy up to 90 percent of past purchases.

Consumers are required to make weekly reports until November 24 to the pulp and paper branch covering inventories, receipts, and consumption. A report also must be made on consumption during the 10-week period on which the base is computed.

Consumers must classify consumption in the following grades: Mixed, news, container (old corrugated and solid fiber boxes), all other.

CURTAILMENT OF LIGHT TRUCKS FOR CIVILIAN USE CONTINUED

Curtailment of light truck production for civilian use will be continued through December under an order issued October 24 by Priorities Director Nelson.

Approximately 109,000 light trucks (those less than 1 1/2 tons) may be produced during the 5-month period, August-December, depending upon availability of scarce materials. This is a reduction of 14 percent below the same period last year, when about 127,000 light trucks were produced.

If the production rate under the program is continued for the full model year, this year's production for civilian purposes will be approximately 261,000, compared with 370,000 in the last model year, or a reduction of 30 percent.

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

Mr. Nelson also issued an order formalizing the December passenger-car production quotas, announced September 15.

East Coast gasoline restrictions ended; British to return 40 tankers

Priorities Director Nelson revoked October 24 the priorities order which limited the distribution of gasoline in the Atlantic coast area.

This action was recommended October 23 by the Petroleum Coordinator following the release of 40 tankers by the British.

In addition to recommending to Mr. Nelson that the limitation order on the use of gasoline be lifted, Coordinator Ickes withdrew his recommendation to the oil industry that filling stations on the east coast remain closed from 7 p.m. to 7 a.m. In effect, this removes all restrictions on gasoline in the east coast area. Action by the individual dealers as to closing hours will be a matter for their own decision.

Release of the ships will be provisional, Coordinator Ickes said. If the British petroleum situation changes materially so as to require renewed tanker aid, the returned ships may have to be reassigned to the shuttle service.

British needs met ahead of schedule

Coordinator Ickes said that the return was made possible because of major improvement in the general British oil situation which was brought about by the rapid application of the American tanker and petroleum program. Because of the efficiency of the American aid, and because of improvements brought about by American arrangements, he said, the objectives of the British oil program were realized a substantial time ahead of the anticipated date.

15 percent of November lead must be set aside for pool

Refiners of lead, it was announced October 22, have been ordered to set aside 15 percent of their November production for allocation by the Director of Priorities, in a supplementary order to General Preference Order M-38, which provides for mandatory priority control of the metal.
Tank part preferences extended to more contractors

Two preference rating orders extending priority assistance to certain prime suppliers of component parts, armament, and accessories, for medium and light-weight tanks, were announced recently by Donald M. Nelson, Director of Priorities.

Preference Rating Order P-26-e complements orders P-26-a, P-26-b, P-26-c, and P-26-d, and assigns the same rating of A-1-d to delivery of materials for the manufacture of parts, accessories, and equipment for medium tanks; medium tanks and their accessories and spare parts; 37 mm. and 75 mm. guns and mounts for installation in medium tanks, and for gasoline and Diesel engines, and engine accessories, for the tanks. This order was issued to 26 prime contractors, who did not receive the benefit of the earlier blanket rating orders.

Preference Rating Order P-25-e extends the priority rating of A-1-f to producers of light tanks. This rating covers the same items as are covered in the medium tank order, with the exception of the armament, which in the case of light tanks consists of .30 caliber and 37 mm. guns. Twelve new contractors now receive this assistance.

** Priority clinics **

The Priorities Division, OPM, announced October 20 the first of a series of industrial and regional priorities clinics, designed to acquaint businessmen with the principles and application of the priorities system. The meetings will be held under supervision of the Priorities Division field service district managers.

Two industrial groups were to gather in Washington for discussion of special problems affecting them. Pulp and paper producers were to meet on October 24, and electrical manufacturers will meet October 31.

Regional meetings, to be held in the field, are scheduled for Minneapolis, on November 7; Cincinnati, November 5; Indianapolis, November 6; Rochester, November 11; East Orange, N. J., November 14, and at Pittsburgh, on November 18.

These and other meetings to be arranged are intended to obviate the necessity of industrial groups coming to Washington although the services of OPM’s commodity branches are available to businessmen.

** CONTRACT DISTRIBUTION . . . **

Defense officials to interview 30,000 small manufacturers in tour for contracts

To make sure that no qualified manufacturer—no matter where he is—misses an opportunity to get a defense contract for lack of information, officers of the Army, Navy, Maritime Commission, and the OPM will tour the country beginning November 10 in three special exhibit trains—painted red, white, and blue.

The specials will carry exhibits consisting of samples of defense equipment and parts needed by the services to give prospective defense manufacturers a clear idea of the types of articles needed. They will be supplemented by blueprints and specifications.

Announcing this October 21, Floyd B. Odium, director of the Contract Distribution Division of OPM, said the plan for the defense specials had been worked out cooperatively by the three services and his division.

The specials will leave Washington simultaneously on Monday, November 10, and be on the road a little more than a month. One will travel the eastern seaboard, the second will swing through the Middle West, and the third will go to the West Coast and return via the South.

** Will interview 30,000 manufacturers **

Officials estimated that 30,000 small manufacturers would be interviewed aboard the trains during stops of a day or more in many cities where complete information and exhibits are not normally available.

Together with defense production clinics planned in a number of large cities off the train routes, such as Chicago, Kansas City, San Francisco, and Los Angeles, the defense specials are expected to give manufacturers all over the country definite information as to whether their plants appear suited for defense production and, if so, how to go after defense work.

Officials aboard the trains will endeavor to determine what type of defense equipment manufacturers are capable of producing and guide those with suitable equipment either to defense contractors who have work to let under subcontracts or to the proper Government procurement offices. In some instances the train staffs will initiate negotiations which, carried through at regular field offices of the services, will result in contracts.

Manufacturers may obtain admission to the trains by writing to the nearest field offices of the OPM Contract Distribution Division and, if they have not already done so, supplying detailed information regarding machine tools and other equipment of their factories.

The volume of work to be carried on in the trains will make it impossible to admit the public also, but at each stop city officials and other representatives of the community will be invited aboard.

** Armed services represented **

Services represented on the trains will include the Army Air Corps, Ordnance Department, Quartermaster Corps, Signal Corps, Corps of Engineers, Chemical Warfare and Medical Corps, various branches of the Navy, and the Maritime Commission.

Each train will have aboard 16 Army officers, 9 Navy officers and representatives of the Maritime Commission, and 8 representatives of the OPM. This personnel will be augmented by local representatives of the services and the OPM in the districts through which the trains pass. Thus the staff will always include officers familiar with local problems.

** Other aid provided **

Prospective subcontractors also meet at clinics with prime contractors desiring to “farm out” work and procurement officers seeking facilities. Among the clinics now scheduled are: Chicago, October 22, 23, 24; Kansas City, November 7, 8; Los Angeles, November 17, 18; San Francisco, November 24 and 25.

** Ohio field office opened **

A field office of the Contract Distribution Division of OPM has been opened at Youngstown, Ohio, to help qualified manufacturers to obtain defense work. Director Floyd B. Odium announced October 24.

The address of the new office is 1002 Union National Bank Building.

This brings the total number of Contract Distribution field offices to 54.
Grand Rapids and 6 other communities certified for special contract treatment

The Office of Production Management (OPM) of the War and Navy Departments October 21 that Grand Rapids, Mich., and six other communities in different parts of the country face severe unemployment due to the shortage of materials for nondefense production and should be given special consideration in the placing of defense work.

In addition to Grand Rapids, which is a city of 246,000 population, the areas certified for special treatment were Eatonton, Ga.; Greenville, Mich.; Ripon, Wis.; Newton and Kellogg, Iowa, and Mansfield, Ohio.

The certifications were based upon investigations by the Labor Division of OPM as to the employment situation in each community and investigations by the Contract Distribution Division of OPM as to the defense production possibilities. Remedial programs were recommended in each case.

Summaries of each certification follow:

GRAND RAPIDS

Of the city's 40,000 manufacturing workers, more than 20 percent may be unemployed by next January unless additional defense work is placed in the community. Layoffs already have occurred in plants making refrigerators, automobile parts, refrigerator hardware and building hardware, metal furniture and metal cabinets. On the basis of a survey of selected companies, only 11 percent of the workers in manufacturing plants are now engaged in defense work.

To remedy this situation, the OPM recommended that consideration be given to the placing of contracts for a long list of defense items ranging from shell cases and bomb fins to ambulance sidecars for motorcycles. The OPM recommended also that consideration be given to the practicability of using facilities in the community on the production of plastic items.

GREENVILLE, MICH.

Greenville, with a population of 5,321, has been affected seriously by restrictions upon the production of refrigerators. The Gibson Electric Refrigerator Corporation, largest single employer, has reduced its employees from 962 to 921, about one-third of the 1,350 figure of 1940. Further reductions are in sight.

To remedy this situation, the OPM recommended that the remedial program for Greenville calls for consideration of opportunities to negotiate defense contracts. It asks that all procurement officers be advised of the situation, that attention be given to possible awards involving metal stamping, welding, and other operations and specific items such as cartridge clips.

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RIPON, WIS.

This community of 4,500 has been affected seriously by shortages of aluminum and other scarce metals for nondefense production. The Barlow-Seelig Manufacturing Co., largest employer of skilled male labor, has reduced its employees from 440 to approximately 320, with further layoffs impending.

The OPM recommended that the remedial program for Ripon, Wisc., calls for consideration of opportunities for negotiating contracts in the town, with special consideration to a

3 in washer industry given $12,000,000 gun-mount contract to divide with other 31

A $12,000,000 contract for .50 caliber anti-aircraft gun mounts has been awarded to three companies in the household washer and ironer industry, which will share the work with other members of the industry under subcontracts, the Contract Distribution Division of the Army advised the OPM October 21.

The contract was negotiated after the OPM had certified to the War Department that 34 companies in the industry faced severe unemployment due to curtailment of nondefense production and that they should be given special consideration in the placing of defense work.

Three prime contractors named

Companies which received the prime contract were the Nineteen Hundred Corporation, St. Joseph, Mich.; the Apex Electrical Manufacturing Co., Cleveland, Ohio, and the Easy Washing Machine Corporation, Syracuse, N. Y. Subcontracts will be placed with the other certified companies, Army officials said, in accordance with recommendations made by a committee representing the industry.

Details worked out by industry committee

Details of the contract were worked out at a meeting in Detroit attended by the industry committee and representatives of the Army Ordnance Department.

The case involves the first industry-wide certification under procurement policies worked out recently by the OPM and the armed services to increase defense production and prevent dislocations, wherever practicable, by spreading armament orders into plants whose nondefense production must be curtailed. The OPM, on the recommendation of its Contract Distribution Division, certified that industry was capable of producing 17 different defense items, ranging from the anti-aircraft machine gun mounts to bomb fin assemblies.

The contract is the first worked out with an industry committee, and Army officials said operations under it would be watched with great interest.

(The names of the other 31 certified companies were published in Defense October 14.)
plan for the high-speed manufacture of aluminum airplane rivets.

NEWTON AND KELLOGG, IOWA

Present unemployment of over 500 in this area will be increased by approximately that number by January 1942, as a direct result of priority pressures. Approximately three-fourths of the area's industrial employment is in three washing machine plants, including the Maytag Co., the Automatic Washer Co., and the Midwest Metal Stamping Co.

In considering solutions, the OPM said, it must be recognized that difficulty in separation of machinery from the production line is one of the major problems and that attention must be given to a program for training within industry to make it possible for workmen of present skills to take up work of more exacting nature in a direct result of priority pressures. Applying machine plants, including the Maytag Co., the Automatic Washer Co., the Midwest Metal Stamping Co., the Automatic Washer Co., and the Midwest Metal Stamping Co., will be increased by approximately three-fourths of the area's industrial employment.

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MANSFIELD, OHIO

This city of about 37,000 is largely dependent on the manufacture of durable consumers goods. Present factory employment is in excess of 13,000 workers, of whom about one-third are employed by the Westinghouse Electric & Manufacturing Co., which normally manufactures electrical refrigerators, electric ranges, electric water heaters, and electric appliances.

As a result of curtailed refrigerator production, Westinghouse has already laid off more than 700 workers and it is estimated that a substantial additional number will be laid off in the immediate future. Westinghouse is shifting to its Mansfield plant a substantial amount of other work from other plants, even though this involves greater cost; but it is unable to make this shift rapidly enough to prevent unemployment.

Other important industries which face labor displacement include the Tappen Stove Co.; Humphreys Manufacturing Co., which produces bathroom equipment, and the Dominion Electric Co., which produces electric appliances.

Net labor displacement was estimated at 2,500 and there is a possibility it may go even higher unless additional defense work is placed in the community.

The remedial program recommended includes consideration to the negotiation of contracts and the placing of trial orders and "such additional measures" as procurement officers deem feasible.

OPM publishes list of Army items appropriate for subcontracting

In an effort to facilitate the spreading of defense work into additional plants, the Contract Distribution Division of OPM made public October 23 an Army compilation of existing contracts which seem to offer the greatest subcontracting opportunities.

The Army compiled the list in response to a request that it review items currently under contract and itemize those which seem to offer greatest opportunities for furthering the program of "farming out" work under subcontracts.

Copies of the compilation have been sent to the field offices of the Contract Distribution Division. Small manufacturers may examine the list there and obtain advice as to which of the prime contractors listed may have work that their equipment and experience qualify them to do. The field offices will strive to put qualified small-plant owners in touch with the prime contractors who can use their facilities.

LIST OF ITEMS APPROPRIATE FOR SUBCONTRACTING

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Manufacturer</th>
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<tbody>
<tr>
<td>Fire tanks</td>
<td>Westinghouse Electric &amp; Manufacturing Co.</td>
</tr>
<tr>
<td>Panels</td>
<td>Westinghouse Electric &amp; Manufacturing Co.</td>
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<tr>
<td>Rivets</td>
<td>Westinghouse Electric &amp; Manufacturing Co.</td>
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<tr>
<td>Trimmers</td>
<td>Westinghouse Electric &amp; Manufacturing Co.</td>
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Engines—Boat—Hall Booth Motor Co., Newark, N. J.; W-1311 qm-187; $465,684.00; 600-horsepower engines for 100-foot rescue boats. See note 23.

Barges—Equitable Equipment Co., New Orleans; W-1311 qm-154; $668,400.00; 120-foot all-welded steel barges.

Allen Boat Co., Harvey, La.; W-1311 qm-191; $130,000.00; 120-foot steel barges.

Trucks, 3-ton, 4 x 4 (model T-215)—Parno Motor Corporation, Detroit; contract 10377; $2,809,561.20; weapon carrier, weapon carrier w/w, command reconnaissance, command reconnaissance w/w, carryall, ordnance chassis.

Trucks, 2 1/4 ton, 6 x 6—Yellow Truck & Coach Manufacturing Co., Pontiac, Mich.; $653,674.00; cargo, cargo with winch; cargo short wheel base; cargo, with winch, short wheel base; tank.

Trucks, 4 ton 6 x 6—Diamond T Motor Co., Chicago; $4,084,570.00; cargo with winch; wrecs, wrecs with winch; potton with winch.

Trucks, tractor—Alcoan Car, Airdrome, Pa.; tractor Trucks, 4-5 Ton, 4 x 4; cap over engines.

Semi-trailers—Highway Trailer Co., Edgerton, Wis.; $535,283.10; Semi-trailer, well (24 ft.); combination animal and cargo (model 128-6).

Searchlight trailers—Frederick Trailer Co., Detroit; W-976-eng-2114 (P. O. 51829).

Air compressors—Le Bid Co., Milwaukee; W-918-eng-1102 (P. O. 51340).

Coral qull pens—Charles G. Stott Co., Washington, D. C.


CONTRACTS TO RENEGOTIATE

Contractor

Radio Set—item SCR-243; Airplane & Marine Direction Finder Corporation, Cleared, N. Y.; Order 1251-3011-41 (P.O. 51-985); $1,227,727.

Radio Set—SCR-206; Air Communications, Inc., Kansas City, Mo.; Order 614-CHI-41 DP 1-41-123; $1,015,279.80.

Wheel Unit—RL-31; Jacobsen Manufacturing Co., Racine, Wis.; Order 1506-CHI-41 DP 62-406; $240,459.59.

Signal Generator—1-72; The Clough-Brengel Manufacturing Co., Chicago, Ill.; Order 2143-CHI-41 DP 41-3193; $14,000.00.

Teletype Set—TG-5; Allen D. Cardwell Manufacturing Co.; Brooklyn, N. Y.; Order 6699-NY-41 DP 41-1710; $4,256.00.

AIR CORPS ITEMS APPROPRIATE FOR SUBCONTRACTING

Trainers, instrument flying and landing ground—Link Aviation Devices, Binghamton, N. Y.

Miscellaneous parts, fittings and accessories—Air Associates, Inc., Bendix, N. J.


Miscellaneous contracts and items—Bendix Aviation Corporation, Bendix, N. J.

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Miscellaneous parts and fittings—Air Associates, Inc., Bendix, N. J.


Miscellaneous contracts and items—Bendix Aviation Corporation, Bendix, N. J.

Fuel pump assemblies—Pump Engineering Service Corporation, Cleveland, Ohio.

Turbo-superchargers—General Electric Co., Schenectady, N. Y.
PRICE ADMINISTRATION . . .

Canada's price and wage ceiling system too drastic for U. S. at this stage—Henderson

OPA Administrator Henderson announced October 22 that the President had authorized the release of the following observations in connection with the recent Canadian decision to shift to price and wage ceilings after two years' use of selective commodity price ceilings such as the OPA issues:

It emphasizes the immediate need for price legislation in this country. As was indicated in your price message of July 30, we cannot arm without stable prices. The major purpose of the Canadian move was to speed their armament program by stabilizing the cost of living and the conditions under which Canadian industry operates. From the outbreak of war to August 1941 the wholesale-price index in Canada increased 27.1 percent; in this country it increased 20.4 percent; by August 1941 the cost-of-living index in Canada rose 12.8 percent; it has continued to increase. The latest figures we have in this country are for September 1941 and show a 9.6-percent rise above the August 1939 level. We too need price legislation and we need it fast.

Canada limits all commodity prices

What Canada Is Doing by Order-in-Council: Canada is putting a ceiling over all commodity prices, both agricultural and industrial, from the producers through the retailers, at the highest price which each seller received during the month ending October 15, 1941. Many services, as well as all utility rates, will also be under the ceiling.

All rents are being frozen as of a date to be specified.

The prevailing Canadian policy of gearing wages to the cost of living in war industries is being extended to all other industries.

Our resources not fully converted

Why This Step Was Taken: Conversion of Canadian industry from civilian to military production is virtually completed. More than 44 percent of their production resources are being devoted to the war effort. It is estimated roughly that about 15 percent of our own resources have been mobilized for defense. Before she reached the stage of maximum utilization of resources for military production, Canada relied on selective price control. She did this because certain price and wage changes served a useful and important purpose in stimulating output of military goods, and in attracting workers to war industries. Canada adopted a general ceiling only when these latter industries were fully manned and operating at capacity.

Canada was not only economically prepared for this step but psychologically ready. First and foremost, Canada is a nation at war. Canadian boys are fighting in Europe and Africa; naturally their families at home are willing to endure a large amount of regimentation of their daily lives. In addition, taxes are high—far higher than our own; profits and the returns to shareholders are diminishing; and wages in defense industries are already tied to the cost of living. The general ceiling helps Canada to achieve at least a measure of uniformity of sacrifice.

Wages not frozen, but geared to costs

Wages: Canada did not freeze wages, she took a base period and related increases to the cost of living. As a matter of fact, this was done in war industries as early as December 1940. Once the first step had been taken an extension of the policy was inevitable: First, because civilian industries were left free to bid labor away from vital war work; second, because the bonus system in war industries alone was operating unfairly to the government. The trouble was civilian industries would increase both wages and prices. This resulted in sharp increases in the cost of living, which in turn increased the bonus that the government had to pay in war industries. It was obviously unfair to leave the unrestrained private employers to compete with the government outside the bonus system.

What It Means to Us: Canada's move is admittedly a drastic experiment, as the Prime Minister himself stated. Its success depends in large measure on how efficiently we stabilize our prices, for the two economies and their price levels are closely intertwined. Moreover, there are serious administrative problems. These are less formidable in a small country than in a large one, but they are unquestionably serious even there. We have not reached the state where we need or could wisely adopt the drastic control which Canada has instituted. But we do need legislation which will at least enable us to do what Canada has been doing for the past two years. If we can act promptly we may yet be able to forestall more far-reaching regimentation. Our Emergency Price Control Bill is a program for the immediate future.

COTTON GREY GOODS

SCHEDULE AMENDED

Formal amendment of Price Schedule No. 11—Cotton Grey Goods, removing the carded cloths which have been transferred to the new Price Schedule No. 35, was announced October 21 by the Office of Price Administration.

As now amended, Price Schedule No. 11 is confined to cotton grey goods made of combed yarns. This schedule will be revised to tie in the ceiling prices to the price of raw "spot" cotton as OPA already has done with respect to carded yarn and carded grey and colored goods.

Farrier named price executive of OPA chemical section

Appointment of Clarence W. Farrier as price executive of the chemical section of OPA was announced October 23 by Dr. J. K. Galbraith, assistant administrator in charge of the Price Division.

Mr. Farrier comes to OPA from the Division of Defense Housing Coordination of the Office for Emergency Management, where he served as associate regional coordinator and regional coordinator since the beginning of this year. In the 4 preceding years he was television coordinator of the National Broadcasting Co.

From 1934 to 1937 Mr. Farrier was chief assistant coordinator of the Tennessee Valley Authority.
OPA denies "understandings,"
takes no position on basis of silk futures liquidation

Since liquidation of outstanding raw silk futures contracts involves only payment of cash, and not transfers of actual raw silk, OPA takes no position concerning the higher-than-ceiling settlement prices fixed recently by the board of governors of the New York Commodity Exchange, OPA Administrator Henderson announced October 22.

No "informal understandings"

At the same time the administrator denied rumors that his office had agreed informally with Commodity Exchange authorities as to the basis for liquidation of the open futures contracts.

"In the settlement of these contracts only money, not silk, will change hands," Mr. Henderson stated. "That the Commodity Exchange has seen fit to rule that the contracts must be liquidated at prices well above our raw silk ceiling simply means that hedgers against actual raw silk will take a cash loss. OPA will enforce its maximum prices when any sales of actual raw silk are involved, but is not interested in levels at which silk futures contracts are liquidated pursuant to the established machinery of the Exchange.

"These levels were determined by the Exchange without any 'informal understandings' with my office, rumors to the contrary, notwithstanding."

Ceilings set August 2

OPA on August 2, 1941, established maximum prices for raw silk at the levels that prevailed on July 21. Ceiling for the base grade, D 13/16 denier, was set at $3.08 per pound. The Commodity Exchange suspended trading in silk futures on July 25 as result of the OPM order freezing all silk stocks in the United States.

On October 16, the Exchange's board of governors ruled that futures contracts outstanding at the time trading was suspended must be liquidated at clearing prices on July 25, which ranged between $3.57 and $3.65 a pound.

Hence, persons with actual raw silk holdings who had taken a hedging position in futures face cash losses, since their silk must be sold at or below the OPA ceilings, while their futures contracts must be liquidated at the higher levels determined by the Commodity Exchange.

Acetone and butanol added to chemicals under ceilings; premium for western sales

Two more industrial chemicals essential to the defense program—acetone and normal butyl alcohol (butanol)—are brought under price ceilings in schedules announced October 21 by OPA Administrator Henderson.

Both schedules became effective October 27, 1941.

Acetone ceiling 7 cents a pound

This makes a total of six price schedules issued thus far by OPA in the chemical field, the others covering formaldehyde, ethyl alcohol, acetic acid, and wood alcohol.

The acetone schedule establishes a price of 7 cents a pound, delivered in tank-car lots in eastern territory, which is defined as the States of New Mexico, Colorado, Wyoming, Montana, and all States east thereof. This is the price which prevailed in the third quarter of 1941, after an advance from 6 cents since the beginning of the year. Certain large producers are charging more than 7 cents a pound for the fourth quarter.

In the butanol schedule a ceiling price of 10 1/4 cents a pound is set for tank-car lots delivered in eastern territory. This compares with a third quarter price of 10 cents a pound and with a fourth quarter price of 11 cents a pound.

Premium for sales in West

Each schedule allows a premium of 1/2 cent a pound above the eastern ceiling in the case of sales in western territory.

Determination of the ceiling prices for both chemicals follows long investigation and study by OPA in the course of which numerous producers were consulted. The 7 cent maximum price for acetone is considered sufficient to maintain production at present record levels.

Mr. Henderson announced that, in setting the ceiling price for butanol above the third quarter level, OPA is attempting to stimulate the use of corn as a raw material to relieve the pressure on supplies of molasses. This use of corn involves somewhat higher costs to the producers.

Acetone very important to defense

Acetone is an extremely important defense chemical and is on the "Priorities Critical List." It is chiefly used in the manufacture of cordite, a high explosive, in the production of acetate rayon. It is also used extensively in the production of safety glass, plastics, chloroform, and dyestuffs. As a solvent it enters into the manufacture of lacquers, leather "dopes," and paint and varnish removers.

50 percent is synthetic

About 80 percent of all acetone produced in the United States is made synthetically from formaldehyde and various solvents. Exports, which are substantial in normal times, have risen to record levels since the war. England is the largest taker.

Butanol, or normal butyl alcohol, is made chiefly by the fermentation of molasses and corn and about 70 percent of the total output is thus derived. The remaining 30 percent is produced synthetically from carbide. A large part of the total production, which for 1941 is estimated at 156,000,000 pounds, goes into the manufacture of gasolene acetate, one of the leading organic solvents.

Butanol also is used in the production of smokeless powder, lacquers, artificial leather, dyestuffs, fruit essences, paint, varnishes, motion-picture films, and pharmaceuticals.

Cover sales of 50 gallons or more

Each of the new price schedules covers sales in containers of 50 gallons or more. A top price of 8 1/2 cents a pound on carload lots delivered is provided for acetone sold in drums, while for sales in drums in less than carload lots a top price of 9 cents a pound, delivered, may be charged. These prices include containers.

Carload lots of butanol in drums may be made at not more than 11 3/4 cents a pound delivered, while less than carload lots in drums may carry a top price of 12 1/4 cents a pound delivered.

Sworn statements of compliance with each schedule must be submitted monthly to OPA and the producers using the fermentation process must file monthly reports showing the quantities of molasses and corn used as raw material.
Ceilings for hides, kips, and calfskins based on shipping point to equalize buyers

Ceiling prices for hides, kips, and calfskins are changed to a shipping point basis, a separate price list is set up for Pacific coast hides and dealers' commissions are abolished, in a comprehensive revision of Price Schedule No. 9 announced October 22 by OPA Administrator Henderson.

Several other changes are included in the new amendment with the object of further improving the schedule.

The latest changes come slightly more than a month after the system of price differentials was established for all grades and classifications of domestic hides and reflect the experience accumulated by OPA from studying the schedule's operation in the interim.

To afford buyers equal opportunity

By changing from a "Chicago freight equalized" basis to f. o. b. shipping point basis, OPA is affording all buyers of hides and skins an equal opportunity to compete for available supplies, irrespective of their geographical location. The "Chicago freight equalized basis" placed buyers at a disadvantage in bidding for hides and skins in distant markets.

The schedule already contained a separate price list for Pacific coast cafl and kipskinds, recognizing the established standards of selection, delivery, and grading followed in that area. Since these standards also apply to hides, OPA has now set up a separate price list for them. The new maximum prices for Pacific coast hides are $13\frac{1}{2} cents per pound for steers and cows, and 10 cents a pound for bulls.

The decision to prohibit dealers from charging service commissions on goods sold for their own account resulted from disclosure that many dealers have been charging commissions on all sales whether or not any special service, such as receiving hides, was performed for the buyer.

Other changes

Other changes include:

1. A single weight classification for packer and Chicago City kipskinds. These are now defined as skins weighing from 15 to 30 pounds, instead of one group weighing from 15 to 25 pounds and another group weighing 25 pounds and up.

2. It is provided that on all sales of mixed lots of hides and skins, unless the quantities of each type or grade are determined by actual inspection and separately priced, the maximum price for the lot must not exceed the ceiling price for the lowest type or grade in the lot.

When calfskins are sold on an unselected basis, i. e., flat for No. 1's and No. 2's, the maximum price for the lot shall be the maximum price for No. 2's. In the case of kipskinds sold on an unselected basis, the maximum price for the lot shall be the applicable maximum less 1 cent per pound.

Differential increased

3. The differential between trimmed hides and untrimmed hides in "other than packer" classifications is increased from $\frac{1}{2} cent to 1 cent a pound.

4. All skins (other than Pacific coast skins) which are not trimmed according to "New York standard" must not sell above the maximums established for packer, Chicago City, or country calf and kip, whichever quality is applicable.

High-cost producer permitted to sell alcohol above ceiling; monthly statement required

After extensive investigation, a special exception allowing the Pennsylvania Alcohol Corporation, of Philadelphia, a small producer with costs above the industry average, to charge 5 cents a gallon more than the established maximum price for ethyl alcohol has been granted by OPA, Administrator Henderson announced October 23.

Must file monthly statement

As a condition attached to his approval, Mr. Henderson is requiring the company to file with OPA each month a detailed profit and loss statement and balance sheet; a detailed statement of the cost of ethyl alcohol produced in each month; and certified financial statements as of the close of each calendar year. Further, the administrator said, OPA reserves the right to reconsider the case at any time.

OPA approves above-ceiling sale of copper by 3 high-cost firms

Commenting on published reports that agreements have been concluded between the Procurement Division of the Treasury Department and three high-cost Michigan copper producers for the purchase of their output for a limited period at higher-than-ceiling prices, OPA Administrator Henderson issued the following statement October 21:

On August 6, 1941, the Office of Price Administration announced that a ceiling price of 12c per pound would be established shortly for copper. It was also stated that a method designed to insure continued production by mines having high costs had been developed.

Under this proposal, it was recommended that the production of those companies whose "out of pocket costs" were in excess of 11c per pound in the first six months of 1941 should be purchased by the Government at a price 1c a pound above such costs. The plan would only be open to qualified domestic producers already operating.

With the full knowledge of my office, Copper Range Co., Isle Royale Copper Co., and Quincy Mining Co., three of the so-called high-cost Michigan producers, subsequently entered into negotiations with the Procurement Division of the Treasury Department looking toward the sale of their output under the OPA formula. In the case of these three companies, this formula was adjusted on recommendation of the Labor Division of OPM to allow an increase of $1 a day in wages, which had been abnormally low. It is my understanding that contracts covering sale of the production of the three companies for a limited period are nearing completion.

Contracts have full approval

Obviously, whatever prices may be involved in these agreements are above the 12c ceiling set by OPA. These contracts, being arrived at pursuant to the OPA formula, have the full approval of my office.
October 28, 1941

3 pulp producers cancel price boosts, avoid need for ceiling at present

Three leading producers of wood pulp for sale, acceding to a request by the Office of Price Administration, have withdrawn fourth quarter price increases ranging from $5 to $10 a ton, and the need to impose a schedule of ceiling prices over this important commodity has been obviated for the time being, Leon Henderson, OPA Administrator, announced October 24.

As a result of this latest development, all but one of the pulp producers represented at the October 10 meeting with OPA have become parties to individual agreements not to exceed during the remainder of 1941 the contract prices that prevailed generally during the third quarter. Sole exception is Eastern Corporation, of Bangor, Maine, which has asked for special consideration because of higher costs. This situation is being investigated.

Three to reimburse buyers

The three companies that have agreed to return to third quarter prices are International Paper Co., Container Corporation of America and St. Regis Kraft Co. Each has further agreed to refund to buyers all amounts collected in excess of third quarter prices in the case of shipments made since October 1.

International Paper had announced increases of $5 a ton, raising paper grade Kraft pulp to $65 and board grade to $60; Container Corporation had advanced its Conus brand Kraft pulp from $50 to $50 a ton; and St. Regis Kraft had quoted a price of $87.50 a ton for its Tacoma brand bleached Kraft, an increase of $5, for the month of October, proposing to determine later its new prices for the remainder of the year.

“The action of International Paper, Container Corporation, and St. Regis Kraft in returning to their third quarter prices is most gratifying,” Mr. Henderson stated. “It represents a very real contribution to the efforts of OPA to maintain a stable price structure in the wood pulp industry.”

Maximum prices of leading grades

Leading grades of pulp covered by the voluntary agreements and the maximum fourth quarter prices follow: Bleached sulphite, bond, and book, $72.50 a ton, ex dock Atlantic seaboard; soda pulp, $66 a ton, delivered; bleached Southern and bleached Northern Kraft, $83.50 a ton, ex dock Atlantic seaboard; and ground wood, $46 a ton delivered. These are representative of contract prices charged during the third quarter. In the case of bleached Northern and Southern Kraft, each producer has agreed not to exceed the September quarter contract prices. In respect to all other grades of pulp, the differentials in effect during the third quarter will be retained throughout the remainder of 1941. Export prices, according to the understandings, will not exceed those charged during the third quarter.

To meet in November

OPA plans to call a meeting of pulp producers sometime in November to discuss contract prices for the first quarter of 1942. By that time it is expected that OPA’s pulp industry investigation will have been completed. Originally it had been proposed to hold this meeting in December, but the time has now been advanced in order not to interfere with the arrangement of new first quarter contracts which usually takes place in December.

There are several major types of pulp consumed in the United States is used by the paper industry. Integrated paper companies are self-sufficient in respect to pulp supplies and many sell pulp under contract and in the open market to other paper mills. There are about 10 major companies which produce pulp exclusively for sale.

Zinc dust ceilings raised to reflect primary metal prices

Upward adjustment in the prices of zinc dust, important in mining and in the production of various chemicals, paints, and dyes, to reflect recent increases in prices of primary zinc and zinc dross has been approved by OPA. Administrator Henderson announced October 23.

Previously, producers of zinc dust, at the request of OPA, maintained a base price of 9.5c a pound, delivered in carload lots, drums returned. The new base price approved by OPA is 10.35c per pound, an increase of 0.85c. For less than carload shipments the new price is 11.35c a pound, f. o. b. shipping point, drums not returned.

Higher on Pacific Coast

Zinc dust produced on the Pacific Coast is allowed a higher price level. For this dust, when made from primary slab zinc or “spelter,” OPA approves a top price of 12½c a pound for “high efficiency” grade, delivered in carload lots, drums returned, and 12½c a pound for the regular grade. In the case of less than carload shipments, “high efficiency” grade and regular grade shall not sell above 13½c and 13½c respectively, f. o. b. shipping point, drums not returned.

Most of the 2,100 tons of zinc dust produced monthly is made from zinc dross, a byproduct of the galvanizing process. On the Pacific Coast, however, most dust is produced from primary zinc or “spelter” because of the scarcity of dross in that area. The “high efficiency” grade of dust is generally used in the cyanide process of extracting precious metals or for export.

The new prices allow zinc dust producers the same margin over costs as existed before the increase in the price of primary zinc and dross, and should assure a continued high level of production.

Simmons named adviser to May in charge of textile research

Appointment of Francis E. Simmons as industrial economic adviser in charge of textile research was announced October 29 by Stacy May, Chief of the Bureau of Research and Statistics.

Mr. Simmons was director of research, planning and publications for the Underwear Institute of New York. Previous to that he was chief of the silk, rayon, and miscellaneous fiber section of the Bureau of Foreign and Domestic Commerce, Department of Commerce.
Processors, growers of continental raw cane sugar benefit by amended schedule

Processors and producers of continental raw cane sugar will be placed in a more favorable position through amendments to Price Schedule No. 16—Raw Cane Sugars—issued October 24 by OPA Administrator Henderson.

The principal amendment clarifies the manner in which the ceiling price for continental United States raw cane sugar is determined. The maximum price is established at the mill where the cane is ground and is the maximum price duty paid at the nearest customs port of entry less the published freight rate from the mill to the nearest refinery. The maximum price at any refinery for such sugar cannot exceed the maximum mill price plus actual transportation charges to refinery.

Under this method, at existing freight rates, the maximum price for 96 degree raw sugar at a particular mill in Louisiana would be $3.66 per hundred pounds, less the cost of carrying the sugar to the nearest refinery. The provision that each refiner may pay the cost of freight from that mill to his refiner should permit continued active competition in the market.

Assures highest price possible

The action by the Office of Price Administration was designed to preserve existing relationships in the cane producing areas. In years when the cane crop is short it is normal for the inland refiners who have a freight advantage over the port refiners to yield part of this freight advantage to the producers of sugar in producing areas. In years when the cane crop is short it is normal for the inland refiners who have a freight advantage over the port refiners to yield part of this freight advantage to the producers of sugar in producing areas. In years when the cane crop is short it is normal for the inland refiners who have a freight advantage over the port refiners to yield part of this freight advantage to the producers of sugar in producing areas.

Continues import practice

The second amendment is designed to take into account an established practice relating to import of sugar to San Francisco from Hawaii and the Philippines. It has been customary for much of this sugar to be imported under long term contracts providing for a deduction from the New York price instead of using a freight differential based on the longer haul to New York. The amendment permits the practice to be continued in cases where it has been followed in the past providing the contracts are approved by OPA.

Determining premiums or penalties

The third amendment relates to the determination of premiums or penalties for degrees of polarization (sucrose content) above or below the base grade of 96 degrees. The original schedule required the determination of such premiums or penalties based on the duty paid price. This created some discrepancies from the trade practice of determining such premiums or penalties on the price before payment of duty. The amendment removes these discrepancies by authorizing determination of premiums or penalties “in accordance with the method customarily used prior to August 14, 1941.”

Argentine trade pact to aid consumers

Consumers stand to benefit considerably under this agreement signed October 14 (effective November 15) between the United States and the Argentine Republic, it is pointed out by the Consumer Division of the OPA. Reductions in United States import duties are made on imports from Argentina valued at about $30 million dollars in 1940, nearly all of them of interest to consumers. In addition to these duty reductions, concessions by the United States include the lifting of certain existing duties against increase and the binding of certain other products on the free list. Altogether, concessions of one kind or another were made on 74.6 percent of total United States imports from Argentina in 1940. Duty reductions affect 44.5 percent of the 1940 imports from that country.

The principal products affected by the reduction in United States duties are listed in the adjoining table along with the effective duties before and after the agreement, expressed as a percentage of the value of each product imported from Argentina in 1939. Important food products in the table are canned beef, grapes, and certain Italian type cheeses. Other products of special interest to consumers are wool (chiefly carpet wool), hides and skins (chiefly cattle hides), quebracho (tanning extract), casein, and flaxseed.

Moreover, the effective duties before and after the agreement, expressed as a percentage of the value of each product imported from Argentina in 1939. Important food products in the table are canned beef, grapes, and certain Italian type cheeses. Other products of special interest to consumers are wool (chiefly carpet wool), hides and skins (chiefly cattle hides), quebracho (tanning extract), casein, and flaxseed.

Besides the duty reductions on products listed in the table, others of less importance were made. Among these, food products include tallow, meat extracts, fresh plums, quince jelly, fresh asparagus, canned beef hash, anchovies, macaroni and similar products, and canned tomatoes.

Encourages trade in seasonal products

In commenting on the new trade agreement, Miss Harriet Elliott, associate administrator of the Office of Price Administration, said:

“One especially interesting feature of the agreement is that it encourages trade between the Northern and Southern Hemispheres in fresh foods, especially fresh fruits and vegetables. The difference in seasons between the two Hemispheres makes their agricultural production naturally complementary.

"During the defense emergency when our economic system is approaching capacity operation it is particularly desirable to encourage increases in the imports of consumer goods. Such increased imports, aside from providing consumers with goods they might otherwise have to go without, incidentally absorb a portion of the excess purchasing power which threatens to produce a further rise in our level of prices.

"These advantages are in addition to advantages derived from the general policy of hemisphere solidarity and the economic defense of the Americas and the immediate direct advantages to our export trade with Argentina.”

Table 1—Principal imports on which United States duties were reduced in the trade agreement with Argentina

<table>
<thead>
<tr>
<th>Product</th>
<th>Before the agreement</th>
<th>After the agreement</th>
<th>Imports from Argentina in 1940 (in thousands of dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ad valorem equivalent of the duty (percent)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Casein</td>
<td>98</td>
<td>49</td>
<td>$1,111</td>
</tr>
<tr>
<td>Quebracho</td>
<td>12</td>
<td>73</td>
<td>2,780</td>
</tr>
<tr>
<td>Canned beef</td>
<td>00</td>
<td>36</td>
<td>4,062</td>
</tr>
<tr>
<td>Certain cheeses</td>
<td>36</td>
<td>20</td>
<td>3,235</td>
</tr>
<tr>
<td>Grapes</td>
<td>13</td>
<td>9</td>
<td>373</td>
</tr>
<tr>
<td>Flashel,</td>
<td>06</td>
<td>29</td>
<td>12,535</td>
</tr>
<tr>
<td>Canary seed</td>
<td>43</td>
<td>27</td>
<td>132</td>
</tr>
<tr>
<td>Certain wool</td>
<td>38</td>
<td>49</td>
<td>4,330</td>
</tr>
<tr>
<td>Divine hides and skins</td>
<td>10</td>
<td>2</td>
<td>16,597</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>35,520</td>
</tr>
<tr>
<td>Other duty reductions</td>
<td></td>
<td></td>
<td>260</td>
</tr>
<tr>
<td>Total duty reductions</td>
<td></td>
<td></td>
<td>35,780</td>
</tr>
</tbody>
</table>

1 The product designations are here abbreviated; for full descriptions consult the text of the agreement.
2 Based on 1939 imports.
News for Retailers

Consumers Durable Goods
Industry Panels

Administrator Leon Henderson is now extending invitation to representatives of various industries embracing OPA’s fourteen commodity sections to serve on advisory panels in the price field.

The purpose of the unit industry panels is to supply, from time to time, qualified advice on problems relating to price. These panels are selected with a view to having a personnel that will cover the particular industry with its branches. As occasions arise, committees will be selected from the individual panels.

While the panel is in no sense empowered to speak for the industry, its diversified membership is designed to present a cross section of the industry.

Dr. James P. Bogardus, price executive for the Consumers Durable Goods section, has panels already forming for wood furniture; cooking, heating and utensils; hard and soft floor coverings; hardware; and electrical equipment. Other panels, as conditions warrant, will be set up at the convenience of the panel.

Attendance at specific meetings in Washington and elsewhere will be subject to the convenience of the panel members.

Wood Pulp Prices

Prices of wood pulp have been stabilized for the rest of the year and, as a result, any increases in the prices of wrapping paper and paper bags necessitated by higher costs of raw materials have been averted. Because several producers have agreed to withdraw previously announced increases in contract pulp prices, OPA officials say there is no need for the time being to impose a schedule of ceiling prices.

Voluntary stabilization agreements were adopted by individual pulp producers under which maximum prices for the fourth quarter have been arrived at which are representative of contract prices charged during the third quarter.

Paper products affected by these agreements include: wrapping paper, paper bags, paper napkins, paper towels, book and printing papers, writing papers and envelopes.

The meeting of pulp producers which had originally been scheduled for December to discuss contract prices for the first quarter of 1942 will be called by OPA sometime in November. The date was advanced to avoid interfering with the arrangement of new first-quarter contracts which is customarily undertaken in December. At the November meeting the price situation will be discussed in the light of information that will then be available as a result of the investigation which OPA is conducting on all factors relating to pulp producing costs.

Consumers Durable Goods

Price ceilings established by OPA for basic commodities in the consumers durable goods field are already showing their favorable effect upon goods being produced for retail sale to the consumer.

Dr. James F. Bogardus, price executive, Consumers Durable Goods section of OPA, finds that ceilings have kept down raw material costs below what they would have been without these safeguards. Stores and retail outlets, office metal furniture, including desks, files, lockers, and shelves, have been produced without serious price increases.

Raw material ceilings have had a similar effect in the washing machine, refrigerator, vacuum cleaner, and electrical appliance fields. The ceiling on formaldehyde has helped keep down the price of bakelite agitators, important in the construction of washing machines. Likewise, waste paper ceilings have benefited the hard surface floor coverings industry.

Cotton Grey Goods

Most of the types of cotton cloth that are used to make wearing apparel are now covered by price ceilings in their “grey” or unfinished state, the Office of Price Administration points out in connection with its Price Schedule No. 35—Carded Grey and Colored-Yarn Goods.

Grey goods undergo various treatment, such as shrinking, bleaching, dyeing, and printing, before they finally are sold to manufacturers who produce the finished articles. By stabilizing grey goods prices, OPA has acted to keep down the prices of a wide range of articles made of cotton cloth—from the overalls worn by farmers and workmen in many trades to men’s dress shirts and ladies’ broadcloth blouses.

Major types of “apparel” cotton cloth presently under price ceilings include: dimities, lawns, voile, broadcloth, poplins, piques, jeans, drills, twills, and denims.

Other important types of cotton goods for which maximum prices have been established are: Bandage cloth, cotton bagging and window shade cloth.

* * *

Consumer protection committee organized in Cleveland, Ohio

Miss Harriet Elliott, Associate Administrator of the Office of Price Administration, has called attention to the organization by groups of citizens in Cleveland, Ohio, of a consumer protection committee which will fight for maintenance of living standards in that city. Miss Elliott pointed out that this was a type of activity in which consumers generally should be interested. The Cleveland committee will guide individual consumers and organized groups in a course of action when prices appear out of line. Information on food, clothing, and shelter will also be gathered and disseminated.

The committee is an outgrowth of a city-wide meeting recently held in Cleveland as a protest against advancing living costs. At the meeting ways were discussed by which the consumer can protect his standard of living during the present emergency and cooperate in the defense program by conserving strategic materials.

Undertake action program

In addition to the setting up of the consumer protection committee, steps are being taken in Cleveland, as was suggested at the meeting, to:

1. Start a daily, noncommercial, market news broadcast to inform housewives of the best food buys of the day, both from the point of view of which fresh food products are plentiful and therefore inexpensive, and which are "good buys" because of exceptional quality.

2. Distribute a daily column to newspapers to tell not only which are the "best buys" in the fresh food market, but also how consumers can cooperate in the defense program by conserving strategic materials and using substitutes if necessary.

3. Set up a speakers' bureau of persons experienced in the consumer field and who are qualified and available to address local meetings.

4. Organize committees to shop and compare prices so that the consumer will know what to buy to get the most he can for the money he has to spend.

5. Set up a consumer information center, where consumers can come for information on how the defense program is affecting the price, supply, and quality of goods in Cleveland, and where they can obtain suggestions as to how they can cooperate in the defense program by conserving strategic materials.
LABOR...

Advised against taking builder’s low bid to avoid labor strife, Hillman says

A belief that the award of a construction contract to the P. J. Currier Co. of Detroit would result in labor warfare moved Sidney Hillman to advise against accepting that company’s low bid. Mr. Hillman told a Congressional committee October 22. To the Special Senate Committee Investigating National Defense, the OPM Associate Director General outlined his labor policy and denied that the stabilization agreement with the building trades forces the Government to deal only with employers of AFL workers.

Excerpts from Mr. Hillman’s statement follow:

I am glad to have the opportunity of explaining to your committee the policy which guided the action of the Office of Production Management and the Labor Division in the so-called Currier case, on which so much attention has been centered. In order to do so, it is first necessary for me to define my own particular functions. My task is to make sure, as far as possible, that production proceeds without the interruptions that might arise from unsound labor practices. This assignment also involves insuring an adequate, qualified labor supply to meet the ever-growing requirements of our defense effort.

Stabilization agreements desirable

Not long after the National Defense Advisory Commission was established in 1940, it was recognized that labor stabilization agreements in defense industries were highly desirable if our defense program were to go forward at the necessary pace. One of the basic industries in which stabilization was particularly urgent was that of shipbuilding.

We of the Labor Division, therefore, inaugurated stabilization conferences in the various shipbuilding zones. As a result of these conferences, stabilization agreements were established throughout the country, setting up basic wage rates, shift standards, and other uniform working conditions, and also eliminating strikes and lockouts. On my recent trip to the West Coast, management and labor and Government spokesmen all assured me that the Pacific Coast stabilization pact was largely responsible for both improved output and improved morale.

An industry no less important than shipbuilding is that of defense construction. All the Government agencies engaged in defense construction saw the necessity of a stabilization agreement for this important industry. In the spring of this year they asked me whether I could not arrange a stabilization agreement for construction similar to that which was proving so successful in shipbuilding.

General Somervell—who is in charge of construction in the Quartermaster Corps—pointed out the many difficulties and variations in labor conditions and practices which Government agencies were seeking to surmount. His position was supported by Admiral Moreell—in charge of the Navy’s Bureau of Yards and Docks.

Armed services initiate conferences

These and other officials complained that Government agencies were often placed in the position of competing for labor—one branch of the armed services pitted against another. Frequently, one or the other would have to offer higher wages, to maintain a labor supply adequate for the job.

Joint conferences thereupon took place between representatives of the Government agencies engaged in defense construction, and representatives of the Building Trades, with its 19 affiliated crafts. The purpose of these meetings was to find ways of keeping down the ultimate cost of defense construction projects and at the same time to bring about the speed which is so vital to the success of our program.

I wish to emphasize again, gentlemen, that these conferences were initiated by representatives of the armed services. They wanted my help and that of the Office of Production Management in coping with disorderly and haphazard labor conditions.

Some of the country’s most capable and experienced construction men and engineers in the country were called in to work out the principles of an efficient stabilization program. General Somervell and Mr. James Mitchell represented the Construction Quartermaster Corps. Colonel Lorence represented the Engineer Corps. Admiral Moreell and Commander Dunlop represented the Navy. Admiral Land and Mr. Daniel Ring represented the Maritime Commission. Mr. Lapp and Mr. Fitzpatrick represented the Federal Works Agency.

In the construction field, practically all organized workers were affiliated with the American Federation of Labor. So, of necessity, the Government agencies dealt with the unions which had the members.

Proud of agreement

They negotiated an agreement of which I am extremely proud. The agreement was arrived at without the intervention in the negotiations of any representative of OPM. It deals only with the broad principles making for stability of industrial relations in the field of construction.

The first paragraph deals with uniform overtime rates.

The second paragraph deals with uniform shifts.

The third provides against stoppages of work.

The fourth makes fair provision for subcontracting, in an effort to protect more fully the interests of the small businessman.

The fifth provides for a predetermination of wage rates by stipulating that consideration shall be given to the rates prevailing in the area from which labor must be drawn to man the job.

The sixth provides that the agreement shall be Nation-wide.

The seventh provides for sound development in the number of apprentices.

Finally, the agreement sets up a Board of Review.

Applies to over 500 projects

This agreement is currently applicable to more than 500 active projects, running to billions of dollars, under the jurisdiction of the Army, Navy, Maritime Commission, and other Government agencies. Although in operation only since August 1, the stabilization pact has worked distinctly to the advantage of both Government and labor. It is pertinent to note that the Defense Plant Corporation, which had not been included in the original negotiations, later requested that it be made a party to the provisions of the stabilization agreement.

The benefits which the Government has derived from this agreement are so great that I feel that they merit brief comment. Many of the A F of L build-
ing crafts had been receiving double-time for overtime work. The conferees, however, were able to obtain an agreement which eliminated double-time payments and established a uniform rate of time-and-a-half for overtime.

I am informed by the Construction Quartermaster of the War Department, that this reduction in overtime rates will save the Government enormous sums in defense construction already under way.

Labor made several other important concessions. It agreed to put in three shifts a day whenever the Government agencies desired it, without any additional compensation for the late shifts.

**Strikes outlawed during emergency**

Furthermore, the unions agreed that, during the emergency, all strikes and stoppages of production would be outlawed, thereby guaranteeing an end to industrial unrest in an industry where continuous production is crucial to defense. As a corollary of the provision against strikes and stoppages, both Government and labor agree to arbitrate any differences that might arise. A Board of Review was, therefore, set up to interpret and apply this stabilization pact. Its decisions are to be final and binding upon all parties. This Board consists of one representative from the American Federation of Labor’s Building Trades Department, one representative from the Government construction agencies, and one from the Office of Production Management.

This agreement was submitted to the OPM Council—that is, to Mr. Knudsen, the Secretary of War, the Secretary of the Navy, and myself. It was given wide publicity. No complaint was ever made about it by any other department of the Government.

In reply to the many misstatements and misunderstandings that have characterized this whole Currier matter.

The agreement from which I just read is the whole agreement. There are no secret or unpublished clauses. It was openly arrived at, and its terms were made public as soon as the negotiations were concluded.

**No provision for closed shop**

Secondly, the agreement makes no provision directly or indirectly for a closed shop. It does not harbor or foster any monopoly. No one understands this point more clearly than the A F of L itself.

It may interest you to know that, according to the information furnished me by Mr. James P. Mitchell, the labor relations adviser to General Somervell, the list of 86 pending fixed fee construction quartermaster projects alone, contains 30 projects in which contractors employed no A F of L workers or only a fraction of A F of L members. Whereas no precise figures on this subject are available from other Government agencies, I am reliably informed that this proportion of nonunion jobs is probably typical. Certainly, in the light of this situation, it requires no elaborate logic or argument to dispose of any suggestion of monopoly or of the “closed shop.”

In the third place, the agreement does not prohibit the use of prefabricated materials on projects employing A F of L workers. This is also fully understood by the officers of the A F of L, any claim to the contrary notwithstanding. A F of L workers have worked on projects using prefabricated materials at Indian Head (Maryland), Camden (New Jersey), Rahway (New Jersey), Champaign (Illinois), and at other places. In fact, all army cantonment construction involves the use of prefabrication methods. And the A F of L will have no objection to working on prefabricated materials at Wayne or any other place.

The reason why the Government agencies dealt with the A F of L is very simple. It was merely that the A F of L Building Trades group represented virtually all of organized labor in the construction industry.

Nevertheless, there is nothing in this agreement which prevents the Government agencies from awarding any contract to any employer regardless of whether he operates under an A F of L contract, a CIO contract, or with a nonunion shop. It is true that this agreement is applicable only to those projects where members of the American Federation of Labor are employed. But there is nothing which requires the Government to award contracts to A F of L employers.

The reason I have told you so much about the stabilization agreement and the negotiations which brought it about is simply that we must all regard the stability of industrial relations and of labor conditions in the construction industry as vital to the success of the defense program.

**Price not sole factor**

Now then, in this whole field of labor relations what is my duty? What is my special responsibility? As I have said at the outset, it is my function, among other things, to advise on labor policy as it relates to our national defense effort. In carrying out my duties it is naturally a matter of grave concern to me as to whether the award of a particular defense contract reflects the labor policy of the national defense program, whether it tends to promote industrial accord, or whether it may make for industrial disturbance. Price cannot and should not be the sole factor in determining the award of Government contracts.

I should now like to discuss the Currier case in the light of these considerations.

Briefly, bids were received for construction of a housing project in Wayne. Mr. Currier’s was the lowest bid, I am informed, by some $200,000.

My own advice to Mr. Carmody was that the award would provoke union warfare between the Building Trades and the Teamsters on the one hand and members of other labor organizations on the other hand. There is little doubt that the A F of L would have regarded the award to Currier’s company as a threat to working standards and means of livelihood of A F of L workers.

My judgment was and still is against any award which would make for industrial strife. In our policy, defense must come first. We dare not gamble with defense. Any such award as was proposed in this case would have jeopardized the basic requirements of our defense program not merely in construction in Detroit but throughout that entire industrial area.

**Comstock heads 3-man board to interpret building trades pact**

Appointment of Louis K. Comstock, electrical engineer and contractor of New York City and Montclair, N. J., to be chairman of the Board of Review, set up under the Building Trades Defense Stabilization Agreement, was announced October 21 by the office of Associate Director General Sidney Hillman, OPM.

Functions of the three-man Board are to interpret the provisions of the agreement between defense construction agencies of the Government and the AFL Building and Construction Trades Department and to adjust disputes arising under its operation.

Other members of the Board are: James Mitchell of the construction division of the Quartermaster General’s office, who represents the defense construction agencies, and Richard Gray, acting president, AFL Building Trades Department, acting for John Coyne, president of the AFL Building Trades Department, who is ill.
Questions and answers about copper order

The Office of Production Management issued last week a series of questions and answers about the order of the Priorities Division restricting use of copper and brass. Paragraph references are to the text of the order, which appears in this week's Defense Supplement.

Q. What items are covered by this order? A. Pure copper, brass, bronze, and any other copper alloy in which the percentage by weight of metallic copper is 50 percent or more.

Q. Do the restrictions in paragraph (a) apply only to the items actually mentioned on list A? A. No. The restrictions apply to the specific items and any component part of any item.

Q. Is there any restriction on the manufacture of parts which may be used in the items on list A and may also be used in other articles? A. The restrictions in paragraph (a) apply only to the items actually mentioned on list A.

Q. To what extent can parts for which there is a higher percentage of copper be used? A. Only where the use of that material is limited to the specific percentage of the amount so used during the base period.

Q. May any copper or brass sheet, strip or screening be used in building construction after November 1, 1941? A. Yes. But he should bear in mind that any use so made must be limited to the specific percentage of the amount so used during the base period.

Q. May any copper or brass alloy be used in making the listed items until January 1, 1942, does the manufacturer have to include metal used between October 15 and the effective date of the Conservation Order? A. Yes. The permitted amount of copper or alloy which may be used is to cover all use in making the listed articles during the whole 2½-months period.

Manufacturer decides use

Q. May the manufacturer decide for himself how he is to use the metal available to him until January 1, 1942? A. Yes; but he should bear in mind that articles listed on list A and 943, he may not use the restricted metals in making the listed articles except in the special cases mentioned in paragraph (c) of the order. He should only use these metals for plating, in certain cases, and under the exceptions found in paragraph (c).

Q. In computing the amount of copper or alloy which may be used in making the listed items until January 1, 1942, does the manufacturer have to include metal used between October 15 and the effective date of the Conservation Order? A. Yes. The permitted amount of copper or alloy which may be used is to cover all use in making the listed articles during the whole 2½-months period.

Restrictions on plating

Q. If a manufacturer has been producing plated articles named on list A, is there any restriction on his future activities? A. Only where the use of that material is specifically and exclusively required by Underwriter or Safety Regulations which were in effect both on October 1, 1941, and at the time of the production in question, can the manufacturer be required to use copper or brass sheet, strip, or screening.

Q. May any copper or bronze for decorative purposes, whether by plating or otherwise, be used in any way in or on the listed articles for decorative purposes, whether by plating or otherwise? A. No. The restricted articles may not be used in any way in or on the listed articles for decorative purposes, whether by plating or otherwise.

Q. Can copper, brass, bronze or other restricted copper alloys be used for plating the listed items after January 1, 1942, if paint, enamel or some other surface would be practicable? A. No. Plating will be allowed only in cases where some other form of coating would be impractical for the proper functioning of the article.

Q. In cases of permitted plating, is there any restriction on the amount of restricted metal which may be used? A. No. At the present time there is no restriction on the amount of restricted metal that may be used in plating articles on the list provided the 8 percent limit is observed—other than that the restricted materials may not be used for primarily decorative purposes, or where other coating would be practical.

Q. Is there any restriction on parts which may be used in parts for use in the listed articles? A. Yes. Any manufacturer may use copper or alloy to produce a restricted article, in order to supply it to a person who has contracted directly with the Army or Navy or another of the agencies.

Q. Are any manufacturer may use copper or alloy to produce a restricted article, in order to supply it to a person who has contracted directly with the Army or Navy or another of the agencies? A. No. Only where the use of that material is specifically and exclusively required by Underwriter or Safety Regulations which were in effect both on October 1, 1941, and at the time of the production in question, can the manufacturer be required to use copper or brass sheet, strip, or screening.

Q. May any copper or brass sheet, strip, or screen or any article made from such sheet, strip, or screening be used in building construction after November 1, 1941? A. Only where the use of that material is specifically and exclusively required by Underwriter or Safety Regulations which were in effect both on October 1, 1941, and at the time of the production in question, can the manufacturer be required to use copper or brass sheet, strip, or screening.

Q. If Underwriter or Safety Regulations are changed after October 1, 1941, so as to require the use of copper or brass sheet, strip, or screening, is it possible for the builder to use some other form of coating or any other material or method of construction in place of the copper or brass sheet, strip, or screening required by the former regulations? A. Yes, with the consent of the Underwriter or Safety Regulations which were in effect both on October 1, 1941, and at the time of the production in question, if such regulations give the builder an option to use some other form of coating or any other material or method of construction.

Q. If a manufacturer makes one of the listed articles out of some material other than copper or copper base alloy, may he use these materials on the article for decorative purposes? A. No. The restricted articles may not be used in any way in or on the listed articles for decorative purposes, whether by plating or otherwise. This period is recognized as being a short time, but urgency makes speedy action necessary. It applies to all sales or deliveries for use in violation of the order only to the extent required for conducting the required amount of electricity.

Kate Smith to tell radio public how to save defense materials

Kate Smith, nationally known radio artist, October 28, wired Donald M. Nelson, executive director of the Supply Priorities and Allocations Board, offering to join the Government's efforts to save scarce materials needed for defense.

She will serve as liaison officer between the Radio Section, Office for Emergency Management, and the field of radio, in helping to inform the public about the contribution that can be made in conserving scarce materials.

In a letter to Miss Smith, Mr. Nelson wrote: "The public must be clearly and fully informed if it is to make its most useful contribution. In this task of informing our citizens of how they can help and why this help is sought, the radio must play an important role. The defense program has now reached the point where your assistance can be invaluable. Therefore, I hereby request you to help us carry the story of conservation to your millions of listeners."
PURCHASES... 

$50,487,959 War Department contracts cleared October 16 through October 22

Defense contracts totaling $50,487,959 were awarded by the War Department and cleared by the Division of Purchases, Office of Production Management, during the period October 16 through October 22. This compares with a total of $1,761,981 for the previous week.

Contracts for aircraft amounted to $13,047,723; contracts for construction to $16,190,894; contracts for equipment and supplies to $9,306,534 and contracts for ordnance to $6,947,808.

A compilation of announcements for the week follows:

AIRCRAFT

Bendix Aviation Corporation, Eclipse Aviation Division, Bendix, N. J.; maintenance parts; $779,654.

Bendix Aviation Corporation, Eclipse Aviation Division, Bendix, N. J.; starter, switch and terminal assemblies; $783,195.

Bendix Aviation Corporation, Pioneer Instrument Division, Bendix, N. J.; airspeed indicators; $802,200.

Jack & Heintz, Inc., Cleveland, Ohio; starter assemblies; $808,500.


The Leeco-Neville Co., Cleveland, Ohio; panel assemblies and generator assemblies; $649,587.

The Crosley Corporation, Cincinnati, Ohio; release assemblies; $591,000.

American LaFrance-Frénche Corporation, Elmira, N. Y.; fire protection equipment; $321,959.

The Electric Storage Battery Co., Cleveland, Ohio; batteries; $594,942.

General Motors Corporation, AC Spark Plug Division, Flint, Mich.; spark plugs; $593,073.

American Mfg. Corporation, Lycoming Division, Williamsport, Pa.; propeller blades; $700,000.

Wright Aeronautical Corporation, Paterson, N. J.; maintenance parts for aeronautical engines; $309,972.


General Motors Corporation, Aircraft Products Division, Dayton, Ohio; propeller assemblies; $8,090,593.

ORDNANCE

Shell Oil Co., Wood River, Ill.; nitrating toluene; $1,200,000.

American Type Founders, Inc., Elizabeth, N. J.; recoil mechanisms; $591,109.

Uchitoff Co., Inc., Davenport, Iowa; ammunition cases; $55,565.

E. I. du Pont de Nemours Co., Wilmington, Del. (for manufacture at Niagara Falls, N. Y.); acetylene tetrachloride; $645,293.

American Type Founders, Inc., Elizabeth, N. J.; guns; $39,992,650.

CONSTRUCTION

Bridgeport Brass Co., Bridgeport, Conn. (Plant—Indianapolis, Ind.); expansion of existing facilities to manufacture carriage cases; $822,000. (Total lease agreement with Defense Plant Corporation now $12,330,000.)

Allis-Chalmers Mfg. Co., Milwaukee, Wis.; plant near West Allis, Wis., together with machinery and equipment for manufacture of superchargers; $4,000,000. (Defense Plant Corporation agreement of lease.)

American Propeller Corporation, Toledo, Ohio; acquisition of additional machinery and equipment for use in existing plant for manufacture of steel propeller blades; $3,932,306. (Total Defense Plant Corporation agreement of lease now $10,838,350.)


Frederick Snare Corporation, New York, N. Y.; construction of pier, approach trestle, roadways, railroad and utilities for shipment of lend-lease supplies, Jersey City Shipping Terminal, Upper Bay, New York Harbor; $2,077,624.

EQUIPMENT AND SUPPLIES

Mole-Richardson Co., Hollywood, Calif.; searchlight units; $1,192,774.

Lima Locomotive Works, Inc., Lima, Ohio; locomotives with tender; $652,299.

Callaway Mills, LaGrange, Ga. (Callaway Mills, Manchester Plant, Manchester, Ga.); Callaway Mills, Hillsdale Plant, LaGrange, Ga.; 3,761,000 yards cotton tent duck; $1,953,156.


Frederick Snare Corporation, New York, N. Y.; construction of pier, approach trestle, roadways, railroad and utilities for shipment of lend-lease supplies, Jersey City Shipping Terminal, Upper Bay, New York Harbor; $2,077,624.

SPAB policy on building construction not a blanket "stop building order"—Nelson

The office of Donald M. Nelson made public October 20 the following letter sent to Senator Alexander Wiley, of Wisconsin, by Mr. Nelson on October 18:

This letter is in response to your telephone request for further information about the policy on building coolly New York laid down last week by the Supply Priorities and Allocations Board. I believe the nature of this policy has been somewhat misunderstood. In substance, it is a policy for the OPM Division of Priorities to follow hereafter in granting priorities assistance on construction projects. At existing shortages in the critical metals become more and more acute it becomes more and more difficult for the builder to obtain structural steel, plumbing and heating equipment, electric wiring and equipment, and so on, without a priority rating. Within a few months it may be practically impossible for the builder to get such items without priority assistance. Consequently, the policy means that henceforward, if a builder is unable to get these metal items without a priority rating, he will not be able to get them at all unless he can satisfy the Division of Priorities that the job he is working on is essential to the Nation, either directly for national defense or indirectly as a safeguard to civilian health and safety.

Not a blanket "stop building" order

Thus, while the policy will put sharp limits on new construction which may hereafter be initiated, it is far from being a blanket "stop building" order. Such basic building materials as lumber, brick, stone, mortar, concrete, and the various clay products are not particularly scarce, are not under priority control, and hence may be obtained freely for any building job whatever. The man who plans a construction job which uses only those materials and does not involve the use of steel, copper, and brass, has nothing to fear from this policy. The word is as free to go ahead now as it was a year ago.

As time passes, of course, the increasing scarcity of copper and steel will almost certainly make it impossible to get them without a priority rating. It is that scarcity which has made this policy unavoidable. Currently, the purely military demand for copper in this month of October actually exceeds the total month's production of copper in the United States, plus the total quantity of copper which the Nation will be able to import during the month. The situation, in regard to steel is somewhat less acute, although a sizable shortage appears to be in prospect for 1942. It seems to be obvious that under such circumstances the country can do no less than that it can do to make it possible to get these materials on any job which can be postponed until the end of the emergency.

Does not apply to future building

I think it is important for everyone to understand the following point, as well: that although we have undertaken to grant help, where possible, in order that needed buildings now under construction and substantially along the road to completion may be finished, that policy will not apply to building begun hereafter. Certainly, if a builder undertakes now to start a new building with the purpose of getting priority assistance and finds when it is half finished that he cannot complete it without getting a priority rating, he will not be able to get that rating merely on the plea that he must have help to wind up his job. Materials will continue to be made available for defense housing, for all defenses industrial construction, and for other jobs which are vitally necessary to the country's civilian health and safety. We cannot do less than that. I believe you will agree that considering the urgency of the situation today we cannot well do more.
TRANSPORTATION . . .

Nation may face truck transport shortage, Rogers reports; calls for efficient use

A warning that the country is facing a possible truck transportation shortage due to rapidly increasing demands for service, and an appeal to shippers for cooperation, was made October 23 by John L. Rogers, chairman of the central motor transportation committee, in a report to Ralph Budd, Commissioner of Transportation.

"It is vital," Mr. Rogers said, "not only in the interest of prompt movement of national defense material, but also to insure a steady flow of civilian merchandise, that shippers and receivers of motor truck freight give careful thought and attention to ways and means of obtaining maximum use of existing motor trucks."

To do this, Mr. Rogers recommended that shippers and receivers increase their loading and receiving facilities, if necessary, to speed the loading and unloading of shipments; cooperate with trucking concerns in scheduling shipments so that loading docks will not be congested; and stop the practice of using trucks for storage purposes.

Strong demands in certain sections

The central motor transportation committee, composed of representatives of the public and bus and truck operators, was appointed by Mr. Budd to formulate and execute plans to insure an adequate supply of commercial vehicles, to conserve the present supply, and to provide for their efficient use.

Mr. Rogers reported there are strong indications in certain sections of the country that demands soon may go beyond the capacity of motor carriers to handle.

"All users of motor truck service," he said, "are earnestly requested to join the motor truck operators in a great cooperative drive—'Keep 'Em Rolling!'"

Detailed recommendations for cooperation between shippers and carriers were:

1. Notify the carrier of your requirements as far in advance as possible, particularly if shipments will exceed 10,000 pounds; let him know the time the shipments will be ready and make every effort to have the shipments ready when the truck calls.

2. If several carriers call daily at your loading dock and some of the trucks are delayed because they call at approximately the same time, an effort should be made to arrange with each carrier a time for its truck to call so that better spacing will result and congestion be reduced.

3. Shippers whose plants were designated primarily for rail loadings and whose truck loading space is inadequate to take care of the present volume of truck movements should give immediate consideration to the possibility of providing additional truck loading space.

4. A study of your less-than-truck-load shipments may reveal that frequently carriers are called upon for more than one pick-up a day and that the number of such calls can be reduced through careful planning in the shipping department.

Don't use trucks for storage

5. Do not use motor trucks for storage purposes. Arrange to have trucks unloaded promptly upon arrival and in case of trailers left at your platform notify the carrier as soon as they are unloaded.

6. Provide the drivers with as much assistance as necessary to insure prompt loadings and unloadings.

7. Merchants and manufacturers who are operating on a reduced schedule of days per week or hours per day should attempt to work out some practicable means of keeping their shipping and receiving departments open during the full business day and week, thus eliminating "second calls" and the use of vehicles for storage purposes pending reopening of receiving departments.

LAKE ORE MOVEMENT

Reports from the four principal ore-loading railroads for the week ended October 18 showed they loaded into boats at upper lake ports 2,217,529 tons of ore as compared to 2,165,715 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 64,876,268 tons as compared to 51,852,508 during the corresponding period of 1940.

CARRIAGE RISE TO NEW PEAK FOR YEAR

Freight carloadings during the week ended October 18 totaled 922,664, a new peak for the year and an increase of 13.4 percent over the 819,969 cars loaded during the corresponding week in 1940. The highest previous loadings in 1941 were 919,510 cars during the week ended September 27.

The details follow:

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AGRICULTURE . . .  

1941 was record year but 1942 must grow more for U. S., Britain—Wickard

Secretary of Agriculture Wickard last week patted the Nation's farmers on the back for making 1941 the "year of greatest total agricultural production in the history of the United States" and almost in the same breath told them that new high records would have to be set in 1942 if agriculture is to meet its responsibilities under the defense program.

Speaking over a Nation-wide radio network, Secretary Wickard summarized the results of four recent regional agricultural meetings called to plan production goals for 1942, and asserted: "After talking with farmers and farm leaders in all parts of the country, I have no doubt that farmers will reach their production goals in 1942 despite many very real handicaps."

1941 rate won't be enough

Other excerpts follow:

Even a repetition of the record output of farm products this year is not going to be enough to meet our needs next year. American agriculture has new responsibilities which it did not have at the beginning of 1941. It has three principal tasks: The first is to provide all the food and fiber that the American people will need; those needs will be great. We have more people at work than we’ve had for years; they need more food to keep up their energy and health, and they’re earning the money with which to buy it.

The second responsibility placed on the shoulders of American agriculture is to produce at least a billion dollars’ worth of food for the people of Britain, to enable them to continue the struggle of free people against Hitler.

Then there’s a third responsibility facing American farmers—the task of producing extra supplies of food now that can be held in reserve for use when the war is over, and millions of half-starved men, women, and children in Europe will have to look to us for food.

Triple challenge faces farmers

Food for Americans—food for the British; food in reserve for the hungry peoples of Europe. That’s the triple challenge that faces American farmers as they wind up the 1941 crop year and begin to plan for 1942. To meet it, American farmers next year must produce more than they ever produced before. They must set another record.

The Department of Agriculture spent many weeks gathering the information on the job ahead of the Nation’s farmers. During the month of September, we met with farmers and agricultural leaders from every State in the Union. We told them the job to be done, as nearly as we could see and forecast it. We presented them with national goals for production of the principal agricultural commodities. It was the first time that such a set of goals ever had been put together. They showed how much we need of each product and how many acres and how many acres and how many head of livestock and poultry will be necessary to produce the amounts needed.

I mentioned that in 1942 we need a total farm production larger than the record production that we shall have this year. This does not mean that we want to produce more of everything. There’s no point in wasting labor, fertilizer, seed, land, and machinery in producing more of things we don’t need—when there are so many things that we do need. We have a year’s supply of cotton on hand from previous years. We don’t need more cotton.

Now that the 1941 wheat crop is harvested, we have 2 years’ supply on hand. And we have more tobacco on hand than we know what to do with. So, we’re planning to ask cotton, wheat, and tobacco growers to raise less instead of more.

Need more of certain crops

But when it comes to some of the other crops, and to livestock products, the story is different. We need more of them; a great deal more in some instances.

Next year we want to boost our production of milk by 8 billion pounds. We hope to get 500 million dozen more eggs; we hope to be able to butcher 6 million more hogs and 3 million more cattle. It seems certain that we won’t be able to import as much of the oils and fats as we’re used to bringing in from other countries; so we’ll need to make up the deficit ourselves. We can take care of our own oil needs by raising a million and a half more acres of soybeans and about the same additional acreage of peanuts.

Shift land to needed crops

We won’t need to plow up a lot of additional land to get this additional food. We can get our extra production next year by shifting some of the land from crops which are not needed to crops which are needed. We can draw on the reserves of corn and other grains in the Ever-Normal Granary to feed the livestock and poultry that will boost our production of meat, milk, and eggs.

The British have on hand large reserves of such storable foods as wheat and sugar, but when it comes to many of the vital foods, such as pork, eggs, and dairy products, their only real reserves lie in the producing capacity of the United States.

Supplies for livestock health included in preference order

The importance of keeping farm livestock healthy is recognized in OPM’s "Health Supplies Rating Plan," Amendment No. 1 to Preference Rating Order P-29.

At the request of the Department of Agriculture’s Office of Agricultural Defense Relations, this order includes animal medicinals and biologicals, veterinarian materials, instruments, supplies, and equipment among the items defined as “health supplies.”

This portion of the order is designed to keep farmers themselves, and the veterinarians who look after farmers’ livestock, provided with their usual supplies of vaccines, sera, and viruses for the control of hog cholera, sleeping sickness of horses, anthrax, distemper, and other animal diseases and plagues.  

TEXTS OF ORDERS

Texts of all official notices of OEM agencies, as printed in the Federal Register, are carried in the weekly Supplement of Defense. The Supplement will be mailed to any paid subscriber of Defense on request to the Distribution Section, Division of Information, OEM.
CIVILIAN DEFENSE . . .

CIVILIAN DEFENSE Week, November 11-16, designed to stimulate awareness of need

Following President Roosevelt's Proclamation of the period from November 11 to 16 as Civilian Defense Week, Mayor F. H. LaGuardia, Director of the Office of Civilian Defense, issued October 23 a statement defining the purposes of the week as follows:

"The President has proclaimed November 11-16 as Civilian Defense Week. Its purpose will be three-fold:

1. To stimulate the people to an awareness of the need for civilian defense and the many specific ways in which people can participate.

2. To inform the people as to how local civilian defense groups are being organized and how a civilian can enrol and serve.

3. To stimulate the establishment of Volunteer Offices so that active civilian protection and community service programs can proceed promptly.

"The theme of the week will be this: The only effective answer to total war is total defense.

Local groups must carry out plans

"General plans for the week have been formulated by the Washington Office of Civilian Defense and cooperating governmental and private groups. The responsibility for carrying out and adapting national plans will fall to the regional directors of the OCD and their staffs and the State Defense Councils but the real opportunity rests with local Defense Councils to carry to all the people of the United States the story of what civilian defense means and the various opportunities for service it offers to every man, woman, and child in the country.

"I, therefore, urge that every State and local Defense Council give this program its immediate attention and do whatever necessary to translate it into action without delay."

Civilian Defense Week begins Armistice Day, Tuesday, November 11. It will be the purpose of each State and local defense council to emphasize the fact that Armistice Day is a symbol of the determination of the people of this country to preserve the ideals upon which it is founded. The State and local Defense Councils will assist the veterans' organizations in demonstrating their support of the Civilian Defense activities in all Armistice Day celebrations.

War against waste

The second day of Civilian Defense Week, Wednesday, November 12, is designated War Against Waste Day. Its purpose is to inform the public why and how critical supplies required for national defense and essential civilian uses should be conserved.

Consumers will be urged to conserve by avoiding waste of all kinds; by proper maintenance and repair of consumer goods, and by buying only for current needs. The appeal will be directed to individuals as well as all types of organizations, including civic, labor, church, fraternal, and women's groups. Especially women's groups will be urged to organize marketing trips so as to utilize the minimum number of automobiles for the maximum number of shoppers to conserve gasoline, tires, etc.; demonstrating how to preserve food, how to get the most out of available supplies.

Thursday, November 13, will be designated as Sign Up for Defense Day. Its purpose will be to inform the public of the existence of Volunteer Offices or to stimulate the establishment and to explain the range of their activities. The emphasis will be on the fact that there is a part in the Civilian Defense Program for every individual. In possible target areas (regions vulnerable to attack extending 300 miles inland from the seacoast), individuals will be urged to enroll as volunteers for duty as air raid wardens, auxiliary policemen and firemen, nurses' aides, etc. In nontarget areas emphasis will be placed upon building a strong community.

Health and Welfare Day

Friday, November 14, will be designated as Health and Welfare Day. Its purpose is to emphasize the importance of a strong, secure population as the foundation for strong military defense; to minimize in the community the economic and social disturbances caused by the impact of the defense program and its consequent shortages, disruption of employment, etc., and to promote the cause of physical well-being in times of national emergency.

In observance of this day there will be special activities in cooperation with local public-health and public-welfare departments, school authorities, and housing and nutrition committees.

Civilian protection

Saturday, November 15, is designated Civilian Protection Day, on which emphasis will be placed upon the need for civilian protection, particularly in target areas, and the need for civilian participation in community-service activities. The aim will be to stimulate the desire on the part of the individual to volunteer. Some cities will stage demonstrations of the work of the various volunteer units under the Civilian Defense Program.

Sunday, November 16, is designated as Freedom Day. Its purpose will be to reaffirm our faith in the fundamental freedoms.

Clergymen of every denomination, as well as representatives of educational, civic, labor, industrial, veterans', and fraternal organizations will participate in community meetings on Sunday evening. Emphasis will be placed upon the inseparability of religious freedom and democracy.

Throughout Civilian Defense Week, civic, fraternal, professional, industrial, labor, and patriotic groups have pledged their active participation. The week will be marked by special radio and theatre programs, exhibits, forums, and school and church programs.

45,287 defense homes ready

Charles P. Palmer, Coordinator of Defense Housing, announced October 22 that 3,661 new publicly financed homes for families of defense workers and enlisted personnel had been completed during the week ending October 15, making a total of 45,287 now ready for occupancy.

With 5,723 homes going into construction during the week, the total of publicly financed homes now being built or completed reaches 69,131.

Federal funds have already been allotted for 123,345 defense homes.

FHIA-inspected privately financed homes started during the week totaled 4,019. Since January 1941, 178,866 such homes have gone into construction.

The total number of dormitory units for occupancy by single defense workers has reached 5,611.
Policy in offering defense substitutes wins salesgirl prize, First Lady's praise

The reasons advanced by Beatrice Pollock, 21-year old Philadelphia department store salesgirl, for asking customers to accept articles substituted for those withdrawn for defense needs, won the commendation of Mrs. Eleanor Roosevelt, assistant director of the Office of Civilian Defense in charge of volunteer participation.

Miss Pollock won first prize in a recent national contest among department store salesgirls for her essay, “My Part in the National Defense Program.” Winner of the second prize was Mrs. Emilie V. Glazier, saleswoman in a Bloomingdale, N.Y., girls’ shop.

“Essays show fine spirit”

“These essays show a fine spirit,” Mrs. Roosevelt said. “Obviously, when the young ladies speak of offering substitutes, she is referring to articles no longer available to retailers because of the necessities of the defense emergency.”

Miss Pollock’s essay said:

In a democratic society such as ours, everyone may enjoy the privilege of doing his share in a common cause. As a salesgirl, I play a very important role in Uncle Sam’s National Defense Program and my duties are manifold.

First and foremost, I must remember that because I am continuously in contact with Mr. and Mrs. America, I can do much (whether directly or indirectly) in conveying to them any messages that our Government wants distributed. For example:

Aiding national defense

1. When it becomes necessary for me to sell substitute merchandise (asking the customer to accept something other than what the customer is accustomed to buying) my part is to point out to Mrs. Consumer how she is aiding national defense by accepting the substitute merchandise and to relate its good points and preferred qualities. I must be intelligent in the knowledge of these facts which, in most cases, prove the substitute even more satisfactory for commercial use than the original. I must never adopt the attitude of, “Oh, you can’t get that any more, the Government is using it all,” but instead, “This is being manufactured in its place and has proved itself most satisfactory since the other is of such great necessity in our National Defense Program.”

2. I can show Mrs. Consumer how she can help Uncle Sam directly, by asking her to do comparatively little and yet accomplishing much, such as: “You can help National Defense by saving gasoline and taking small packages with you,” etc.

3. I must make certain that all the merchandise I sell is properly labeled in accordance with Government requirements, and I must be truthful in “talking it up” so that my customer has confidence in what she buys, leaving with a feeling of satisfaction in her purchases and not one of uncertainty, wondering whether she has made a blind purchase.

4. Bearing in mind that Mrs. America now has more capital for buying, it is my duty to sell her higher-grade merchandise, explaining how much more she will benefit from her investments because better merchandise will last longer. The customer must feel that she is getting the best for her money.

Alarmist buyer not an asset

5. I must be cautious never to “scare” my customer into buying a surplus because “Prices are constantly rising”—the alarmist buyer is never an asset to good, healthy business or a healthy Government!

So much for business hours. What can I do when my working day is over? I can devote my leisure hours to training for home defense; working for the Red Cross, learning first aid, home nursing, air-raid training, etc. After completing these courses, I can organize groups throughout the store and instruct them.

I can buy United States Defense stamps and bonds, even organize clubs for furthering the selling of Government Bonds.

I must never forget to smile. In these uncertain times with so many young men away from home, one of my most important duties is to always be pleasant, courteous, and helpful for Mrs. America is so easily irritated!

Above all and foremost my slogan must always be V for America!

If I accomplish this, then I shall be both happy and proud that I have done my share in the National Defense Program.

Mrs. Glazier, the second prize winner, is the mother of two sons. She concluded her essay with the following:

I stand ready to support any movement my store may evolve to aid the Defense Program. I refuse to believe that my little bit won’t make any difference either way. I know it is the little drops that finally make the ocean.

My biggest chance to serve lies in keeping my morale as high, for I know that no country is stronger than the morale of its people.

Special assistant named in field of women's activities

Mrs. Eleanor Roosevelt, assistant director in charge of volunteer participation, Office of Civilian Defense, announced October 21 appointment of Mrs. Crystal Bird Fauset as special assistant to Mrs. Eloise Davison, assistant director in charge of women’s activities. Mrs. Fauset is a graduate of Teachers College, Columbia University, and a member of the board of trustees of the Cheyney State Teachers College, Cheyney, Pa.

A former member of the field staff of the National Board of the Young Women’s Christian Association, Mrs. Fauset was the first Negro woman to serve in a State legislature.

Mrs. Fauset was appointed assistant state director of the Pennsylvania WPA Education and recreation program in 1938. She is a member of the Advisory Committee of the Philadelphia Housing Authority and Advisory Committee Adult Education Council for Philadelphia.

Maneuvers tax recreational resources of many communities in defense areas

Five hundred communities in critical areas now have active defense recreation programs, according to reports from field representatives of the Recreation Division of the Office of Defense Health and Welfare Services. These representatives have surveyed recreation needs in some 350 more. They have organized and cooperated with local recreation councils to utilize community resources effectively in providing simple necessary leisure-time activities for industrial workers and men in uniform. Federal funds have been allocated under the Community Facilities Bill for 227 additional recreation centers which could not be financed locally.

Prepare towns for influx

Recent army maneuvers have taxed the recreational resources of many small towns in the South. Recreation representatives reported their efforts to prepare the towns for the influx. They found out from the army approximately where soldiers could be expected. They made suggestions to the community as to what would be needed and how to take care of these needs with economical temporary measures.

What happens when 20,000 soldiers with money in their pockets descend on a town is illustrated by a report of events in a small town in Louisiana: The men had been paid on Sunday. On Monday, the merchants were completely cleaned out, although they had taken on extra stores for the occasion. There were no commercial amusements except a few juke boxes in roadside cafes. Four recreation centers set up by the community were filled to capacity continuously. A frame with curtains around it was erected to provide for 70 showers. Ten thousand took showers there in one day. This is typical of what is happening throughout the maneuver areas.
Tentative program to meet power shortage in Southeast announced

The Office of Production Management announced October 23 it has prepared a tentative program to take care of the power shortage in the Southeast.

Meeting held in Atlanta

Four OPM power representatives, including J. A. Krug, head of the power section, met in Atlanta October 23 with State utility commissioners of Southeastern States and with private and public power representatives of the same area and representatives of the Federal Power Commission who have been cooperating with Mr. Krug in this effort, to obtain a last minute verification of the situation and to explain the program with which OPM proposes to meet it.

Responsibility in SPAB and OPM

The Executive order of August 28, establishing the Supply Priorities and allocations Board, placed in SPAB and OPM the responsibility for fixing priorities and allocating the supply of power.

OPM is prepared to act under that order to meet the power shortage, provided heavy rains do not soon alleviate the situation. To that end, OPM, through Mr. Krug and his staff, with the cooperation of the various State and Federal regulatory commissions, would coordinate the work of public and private agencies in carrying out the order.

Die casting committee

Formation of a die casting defense industry advisory committee was announced October 23. Members are:


Steel valve industry committee

Appointment of three additional members of the steel valve industry advisory committee was announced October 22.

New members are:


OFFICE FOR EMERGENCY MANAGEMENT

WAYNE COY, Liaison Officer


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

OFFICE OF PRICE ADMINISTRATION: Leon Henderson, Administrator.

CONSUMER DIVISION: In charge of Harriet Elliott, Associate OPA Administrator.

SUPPLY PRIORITIES AND ALLOCATIONS BOARD: The Vice President of the United States, Chairman; Donald M. Nelson, Executive Director; The Secretary of War; The Secretary of the Navy; William S. Knudsen, Associate Director General; Sidney Hillman, Associate Director General; Sidney Hillman, Secretary, Herbert Emmerich, General Counsel, John Lord O'Brien, Production Division; W. H. Harris, Director, Purchasing Division; Douglas C. MacKeeche, Director, Priorities Division: Donald M. Nelson, Director, Materials Division: William L. Batt, Director, Civilian Supply Division: Leon Henderson, Director.

GENERAL ADMINISTRATION: The Vice President of the United States, Chairman; Donald M. Nelson, Executive Director; The Secretary of War; The Secretary of the Navy; William S. Knudsen, Associate Director General; Sidney Hillman, Harry Hopkins, Leon Henderson.

TRANSPORTATION DIVISION OF THE ADVISORY COMMISSION: Ralph Budd, Commissioner.