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A major threat to steel production and to defense was dispelled last week when the captive coal mine strike, begun after CIO leaders rejected National Defense Mediation Board recommendations, was halted by submission to Presidentially appointed arbitrators. The Mediation Board turned to other issues and obtained postponement of a threatened strike by 225,000 teamsters. The Board reached agreement in one case, prepared to make recommendations in another, and received certification of two new cases.

Welders’ troubles resolved

An issue causing unrest in West Coast shipyards appeared to be resolved, as OPM Associate Director General Hillman announced nine AFL unions had agreed that welders moving from job to job need not hold more than one union card. The AFL also agreed to let welders involved in a recent strike over the union card issue return to their old jobs without discrimination.

President Roosevelt, giving effect to powers granted by Congress, authorized OPM to requisition materials it may deem necessary to defense.

Meanwhile, the public learned that lead and tinfoil will disappear from the wrappers of cigarettes, chewing gum, candy, and a number of other products after March 15, by order of the Priorities Division.

Passenger cars cut 56.1 percent

In another action to shift critically needed metals from civilian to defense production, the Division of Civilian Supply announced that the output of passenger automobiles next February will be no more than 43.9 percent of that in February 1941.

Moves to increase production of the vital substances included a A-1-b priority rating for materials to construct an aluminum plant at Massena, N. Y., and an A-1-c rating for materials to manufacture furnaces used in heat treating of metals. Dealers in iron and steel scrap were warned that they must comply immediately and fully with OPM scrap allocation orders.

Power savings reported

OPM announced that the order which froze power consumption of large Southeastern users to their September levels is expected to save at least 5,000,000 kilowatt-hours a week. Rain, and an increase in supply of 10,000,000 kilowatt-hours a week when the power pool was put on an obligatory basis, helped officials striving to postpone a drastic curtailment order.

Also last week, OPM urged prompt Congressional approval of the Douglas Dam in Tennessee. W. L. Batt, director of OPM’s Materials Division, wrote the chairman of the House Appropriations Committee that this project is the only one with a capacity as high as 100,000 kilowatts which could be brought into production by 1943, when the power will be needed for defense.

112 commercial planes allotted

The aircraft branch of OPM tentatively allotted 112 planes among commercial airlines for delivery in 1942.

The Priorities Division placed titanium dioxide, used in paints, under allocation; ordered steel drum manufacturers to set up special inventories of metal to make containers for overseas shipments of petroleum products; gave the United States Forest Service an A-8 rating on fire-fighting equipment; and assigned plastic components for radio tubes a B-4 rating because no suitable substitute has been found.

The Priorities Division relieved a hardship on manufacturers of replacement parts for passenger cars and light trucks by giving them their choice of two periods on which they can compute a 40 percent reduction. The Division of Civilian Supply moved at the same time to extend the period allowed automobile makers to use up existing stocks of bright trim.

Comparing the present industrial defense effort with that of 1917 and 1918, the OPM Bureau of Research and Statistics found that more money is being spent to arm now and that a lower price level indications we are getting more per dollar.

The Office of Price Administration, citing sharp increases in the price of crude paraffin wax, put a ceiling on both the crude and the refined. Besides having a wide variety of civilian uses, paraffin is used in defense products, including munitions.

OPA announced it had evidence that a major zinc producer had violated an agreement to sell not to dealers but directly to consumers. Three more large dealers in iron and steel scrap decided to refund all amounts collected in excess of the ceiling.

More lumber under price control

OPA amended the Southern pine lumber price schedule to bring in freight car construction materials. Further discussion of a ceiling for new machine tools was put on the agenda for early December. Manufacturers of railroad cars, locomotives, and maintenance-of-way and signal equipment were asked not to exceed October 1 prices.

Makers of bedding were asked to make the November 1 level their maximum, and a large manufacturer withdrew an increase in the price of mattresses at OPA’s request.

The Bureau of Industry Advisory Committees appointed groups of industrial officials to advise on burlap importing and bag manufacturing; farm machinery and equipment; and radio.

The health supplies and fire equipment branch in the Division of Purchases was split in two to form the health supplies branch and the safety and technical equipment branch.

The Division of Contract Distribution opened four more field offices.

President Roosevelt determined a need for 1,000 additional defense homes, and Defense Housing Coordinator Palmer announced the completion of 1,634 in the week ended November 8.

Bill of Rights Day

The Office of Civilian Defense set aside December 15 to celebrate the signing of the Bill of Rights. The observance was requested by Archibald MacLeish, Librarian of Congress, who also is director of the OCM Office of Facts and Figures. OCD announced that 5,935 local defense councils have been formed and slightly under a million volunteers enrolled for civilian defense services to date.
Week-old captive coal mines strike halted by arbitration at President's request

Last week (Nov. 17—23) saw the end of the week-old strike in the captive coal mines when John L. Lewis, president of the United Mine Workers of America, agreed to accept compulsory arbitration in accordance with President Roosevelt's request. The National Defense Mediation Board, also last week, obtained postponement of a strike of 225,000 teamsters which threatened to tie up all over-the-road trucking in a dozen midwestern States. The Board further reached an agreement in one case; agreed to make recommendations in a second, and received certification of two new cases, one of which was the teamsters' case. Hearings in two other cases—one of which involved an independent union—were postponed.

Captive coal mines

On Saturday, November 22, came the announcement that John L. Lewis, together with Benjamin Fairless, president of the U. S. Steel Corporation, and Dr. John Steeiman, Director of Conciliation of the U. S. Department of Labor, would compose a 5-man commission to arbitrate the union shop issue in the captive coal mine dispute. This acceptance was in accordance with a request made by the President in a letter on November 19 to executives of the steel companies and to Mr. Lewis, in which he proposed two alternatives for settling the dispute. The first alternative suggested that the closed shops in the captive mines remain in status quo for the period of the emergency and the second alternative, agreed to by the President, provided for the submission of the issue to arbitration with the understanding that the decision would be binding.

On Monday, November 17, President Roosevelt had formally notified both the operators of the captive mines and the United Mine Workers of the breakdown of negotiations on the dispute over the union shop issue. The steel companies maintained their position that a man's right to work should not depend upon his membership in any organization. The United Mine Workers contended that an open shop would be in violation of their union shop agreement with the commercial mines.

The strike in all the captive mines began the morning of November 17 and was very soon nearly 100 percent effective. Later in the day, some of the commercial mines started to close as the men walked out in sympathy strikes and at the end of the week a large percentage of mines throughout the Appalachian area was shut down.

In Detroit, at the CIO convention, John L. Lewis, president of the United Mine Workers, was voted full support on his stand by the delegates. Mr. Murray, president of the CIO, who had resigned from the Board in protest against the decision in the case, accused the NDDB of discrimination and asserted that the AFL representatives had refused to try seating in voting against the mine.

Meanwhile, the steel companies stated that they would try to continue operating the mines and hoped that it would not be necessary for the Government to take them over.

At a press conference on Tuesday, the President declared that Mr. Lewis' claim that to operate the captive mines without a union shop agreement operators and the United Mine Workers of America would be a violation of the compact with the commercial mines.

On Wednesday November 19 the President sent the following letter mentioned above to both the steel company executives and to Mr. Lewis:

"At my conference with you November 14 I asked you to consider two suggestions. First I urged you that you continue negotiations and that if you did not arrive at a conclusion you submit the point or points at issue to an arbitrator or arbitrators or anybody else with a different name and that the coal production in the captive mines continue. Second I urged that you consider the other matters relating to employment as the wage question and check-off were not concerned.

"You have now informed me that the negotiations broke down without an agreement. The point in dispute has not been submitted to arbitration. Production of coal at the captive mines has been interrupted by strike.

"It is of course absolutely clear that no one is asking the coal miners to give up their union recognition or their union wage scales or their union working conditions.

"Under the auspices of the National Defense Mediation Board certain agreements were reached by the coal operators of the United Mine Workers of America for the Appalachian area and for other areas.

"Under these agreements the United Mine Workers are recognized as the sole bargaining agent for all the workers in and about the mines and the closing of the mines remain in status quo for the period of the emergency.

"The protective wage clause of the Appalachian agreement has no bearing on this controversy. If the United Mine Workers sign with the operators of the captive mines an agreement which includes no provision for a closed shop, they will not lose any benefit or advantage which they now enjoy under the Appalachian agreement.

"The closed shop contracts that have already been signed will stand.

"In order still further to open the way for settlement of the dispute in the captive mines I am doing two things:

"(1) I am informing all those coal operators who have signed an agreement with the closed shop provisions and the nonstriking penalty clause that they will be expected in the interest of national defense and in the interest of the country to operate those agreements without change.

"(2) I am asking all the operators of the captive mines to reaffirm their assurances by notice to each of their employees that they are not going to operate the union organization or collective bargaining and that they do not wish to discriminate or stand aside in any way to advantage employees who choose to join the United Mine Workers of America.

"This work in the captive mines must recommence.

"I repeat what I said to the conference last Friday.

"Because it is essential to national defense that the necessary coal production be continued and not be stopped, I ask therefore the indisputable obligation of the President to see that this is done.

"I am therefore asking all of you, as patriotic Americans, to accept one or the other of the following alternatives:

"(a) Allow the matter of the closed shop in the captive mines to remain in status quo for the period of the national emergency, all other parts of the Appalachian agreement applying; or

"(b) Submit the point to arbitration, agreeing in advance to accept the decision so arrived at.

"I am therefore asking all of you, as patriotic Americans, to accept one or the other of the following alternatives:

"(a) Allow the matter of the closed shop in the captive mines to remain in status quo for the period of the national emergency and do not make any change.

Chairman Davis of the National Defense Mediation Board on November 21 wired all commercial mine operators as follows:

"Please inform me by wire, first, whether in the view of your company the protective wage clause of its agreement with the United Mine Workers of America has any bearing on the provision that membership in the United Mine Workers of America shall be a condition of employment. Second, whether your company in accordance with the President's letter of November 19 will agree to the national defense continue to operate without change under its agreement with the United Mine Workers of America as a condition of employment which requires membership in the United Mine Workers of America as a condition of employment is not in accord with the
200,000 "lead men" and supervisors to be trained intensively in defense plants

More than 200,000 "lead men" and supervisors in defense plants will be given intensive training during the next 6 months, under an expanded training-within-industry program announced November 21 by OPM Associate Director General Hillman.

Channing R. Dooley, director of the OPM Labor Division's Training-Within-Industry Branch, reported to Mr. Hillman that a training program of this sort has proved highly successful over a 4-month test period in New Jersey defense plants.

New Jersey defense contractors sign up

In New Jersey, the program has nearly 300 defense contractors signed up for the new "job instructor training" sessions, with nearly 7,000 skilled mechanics, lead men, gang bosses, and supervisors in training. This program consists of five 2-hour sessions conducted by men specially trained by OPM in this field of instruction, and was worked out in consultation with labor and management advisors.

In the eastern Pennsylvania district, 17 companies are prepared to provide such training to 900 mechanics and supervisors. 1,000 will be trained in western Pennsylvania during the next month. Similar programs are under way in Maryland, northern Ohio, New York, Texas, and on the West Coast.

Hope to cover whole U. S.

Conferences with T-W-I branch field men will be held in Washington this week to spread this effort to the 15 other defense industry districts in order to cover the whole United States.

"This development of mechanics and lead men to train others in defense plants is of major importance in our scheduled expansion of production," Mr. Hillman said. "We must foster supervisory ability among our experienced workmen if we are to continue to match our defense labor supply to our ever-growing defense production needs."

Midwestern Trucking Companies

On Monday, November 17, Daniel J. Tobin, president of the International Brotherhood of Teamsters, AFL, and William Calvin, vice-president in the United States Employers Negotiating Committee that in the interest of national defense, and to utilize to the utmost degree the mediation machinery established in wage agreements before a panel of Ralph Seward, John A. Roebling Sons Co., Trenton, N. J., and the Metal Trades Committee of the National Defense Mediation Board, the company has 6,000 men employed in producing copper for national defense needs.

A dispute over interpretation of the contract between the Nevada Consolidated Copper Corporation, Elko, Nevada, and the Brotherhood of Locomotive Engineers, independent, brought in the company and union for hearings before a panel of Ralph Seward, John Connolly, and George Lynch. At the end of 2 days, both parties returned home to await recommendations by the Board, which will be made within 2 weeks.

A threatened strike had been postponed at the Board's request. The company has 6,000 men employed in producing copper for defense needs.

Hearings earlier in the month had been cut short by the necessity for the return to Alpine of the company officials. Employing 430 workers, the company makes rescue boats for advance bases for the Air Corps and distribution box boats for the QMC.

The terms of the agreement were not revealed and it is subject to ratification by the local union membership.

Nevada Copper

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John A. Roebling Sons Co.

Hearings originally scheduled for November 18 in the dispute between the John A. Roebling Sons Co., Trenton, N. J., and the Brotherhood of Railroad Trainmen, independent, were postponed with the expectation that the trainmen, on the committee's recommendation, would be set for November 29. The Board is now considering whether to accept recommendations by the committee.

Bell Aircraft Corporation

The Bell Aircraft Corporation, Buffalo, N. Y., and the United Automobile Workers, AFL, whose hearings had been postponed at the union's request to Nov. 21, did not come on that day. It withdrew the case before the Board the week of November 29. The company had a right to do this and wired the union that its action did not relieve the Board of the "responsibility imposed on it by the certification of the case." Chairman Davis suggested to both the company and the union that the parties proceed with direct wage negotiations with the assistance of Conciliation Commissioner Thomas Finn.

The withdrawal by the union was the result of the resignation of all CIO members and alternates from the Board over the labor management relations.

Other new cases

The Board received certification of two new cases last week, one of which was referred to earlier—the midwestern trucking companies. The other case, certified to it by the various parties involved in the American Shipbuilding Co., Cleveland, Ohio, and the Metal Trades Council, AFL.

ORDINANCE PLANT OPENED

The Morgantown Ordnance Works, Morgantown, W. Va., which was formally opened on November 17, 1941, the War Department has announced. This plant, being built at a cost of more than $38,-

-000,000, will produce anhydrous ammonia, used in the manufacture of high explosives for ammunition.
Labor...

Welders need carry only one union card, AFL leaders decide in talks with Hillman

OPM Associate Director General Hillman announced November 23 that representatives of nine international unions affiliated with OPM have agreed to eliminate grievances presented to the Office of Production Management by welders employed in shipyards and on other defense projects.

Conferences looking toward this result began on Monday, November 17, and dealt with several types of complaints made by various groups of welders.

Welders complained that, because of frequent changes in employment, they were in some instances compelled to hold cards in several different unions, and thus to pay initiation fees and dues to several different organizations in order to work at their occupations.

"No excessive fees"

Mr. Hillman said that he was pleased to report that, as a result of these conferences, with the AFL OPM auspices, the nine AFL metal trades unions have officially declared that:

"There will be a flexibility in the performance of welder work in every shipyard which will prevent any unjustified interference with the orderly and continuous operations of production, this to be established through conferences with management and with the unions at interest."  

The international unions hold that it is not necessary for a workman performing welding to carry more than one union card, and furthermore, that there should be no excessive fees."

Thus the welders' major grievance has been remedied through the cooperation of the nine metal trades unions.

Return to jobs without discrimination

The welders' second complaint related to alleged discriminatory practices affecting striking welders who sought to return to their jobs. On this matter, the official AFL statement points out:

"Under these circumstances the international unions, regardless of the violation of agreements with employers, and violation of their own trade union laws, agreed that all of these welders, even though they had been responsible for stopping work on national defense, would be permitted to return to their former jobs without any discrimination."

The welders also requested from the AFL a charter establishing them as a separate and autonomous organization. Such an issue Mr. Hillman explained is clearly beyond the proper jurisdiction of the Office of Production Management.

OPM expects welders to cooperate

Mr. Hillman also stated that he has conferred with the Navy, the Maritime Commission and other Government agencies concerning these problems, and that these agencies expect full observance of existing contracts openly and voluntarily arrived at between labor organizations and employers.

In view of the fact that the fundamental grievances of the welders are being corrected by the nine metal trades unions, it is only fair to expect that the welders will remain at work and thus contribute to the success of our defense effort, Mr. Hillman declared.

Mine strike, now halted, one of six vitally affecting defense at end of last week

The Captive Mines strike, affecting some 50,000 UMW-CIO miners before it was halted November 22, was the outstanding current defense stoppage, the OPM Labor Division reported on that day. The effect of the work stoppage on steel production was not felt until the end of the week, but by Saturday steel blast furnaces were shutting down in various sections of the country.

5 other strikes affect defense

Apart from the Captive Mines dispute, the Labor Division reported that five strikes of primary defense significance, involving 4,800 workers, were current on that day out of a total of 17 stoppages (7,700 persons) in plants with any known defense contracts (covering Army, Navy, and Maritime Commission orders).

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Atlas Drop Forge Co., Lansing, Mich. (Forgings for tanks and airplane parts). The 700 members of UAW-CIO went on strike November 19 after negotiations over a new contract and wage increases became deadlocked. A Federal Conciliator and an OPM Labor Consultant are cooperating with representatives of the State Labor Mediation Board in an effort to adjust the dispute.

Breckenridge Machine Tool Co., Cleveland, Ohio (Shell castings). A panel of Conciliation Service and OPM representatives is conferring in Detroit with officials of the local UAW-CIO and the company, in an attempt to work out a settlement of the wage and learner questions.

These 12 cases, covering 13,600 workers, are:


PRIORITY ... Lead and tin foil to be barred from cigaret, gum, and candy wrappers

Lead and tinfoil will disappear from cigaret packages, chewing gum, candy and a number of other package uses after March 15, 1942, Priorities Director Nelson announced November 24.

Limitation Order L-25, which he issued that day, provides that after March 15 no tin, lead, or composition foil containing them shall be used in the manufacture of any decorative article or material for the packaging of tobacco products, chewing gum, all beverages, confectons, ribbons for typewriters and other business machines, friction tape, and photographic film.

Until January 15, 1942, manufacture of foils for the uses to be prohibited is limited to one-third of the amount manufactured for those same categories in the first three months of 1941.

Manufacture and sale of foil for any of the uses listed is prohibited after January 15, 1942.

Swing to lead causes action

Basis for the order is the fact that lead going into foil manufacture has increased from approximately 2,000 tons a month at the beginning of 1941 to 6,500 tons at present, with the demand increasing monthly. Users of foil have swung rapidly into lead as aluminum stocks declined and they were unable to get more for that purpose. Tin savings under the order are estimated at 250 tons a month.

The tobacco industry uses about 85 percent of the tin and lead foil consumed, with cigaret leading the list. The industry was told some months ago that restrictive orders on foil would be necessary, and studies of satisfactory substitutes have been carried out. The tobacco industry has already taken steps to reduce its use of lead in foil by one-half. Although cellophane and similar materials are under priority control, these materials may still be used in the packaging of tobacco products.

Moisture losses tested

The National Bureau of Standards has assisted in this by making a study of the efficacy of waterproof cellophane and of metal foil used in cigaret packages as moisture barriers.

Test packages were wrapped in various ways in a plant of one of the cigaret manufacturers, exposed to an atmosphere dried with calcium chloride, and tested for loss of moisture at the end of 120 hours. Following are the losses found, given in percentages of the original moisture content:

<table>
<thead>
<tr>
<th>Condition</th>
<th>Moisture Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard package</td>
<td>0</td>
</tr>
<tr>
<td>Foil omitted, cellophane intact</td>
<td>9</td>
</tr>
<tr>
<td>Cellophane omitted, foil intact</td>
<td>36</td>
</tr>
<tr>
<td>Both foil and cellophane omitted</td>
<td>67</td>
</tr>
</tbody>
</table>

Widespread use of foil in packaging is comparatively new, having received its greatest impetus since 1915.

Because of the many uses for lead in defense production and the fact a part of our national supply is imported, the metal has been placed under various forms of governmental control. Export control was established on March 24, 1941, inventory control on May 1, and full priority control on October 4.

** Two orders aid steel drums for overseas shipments

Two orders, designed to make possible the speedy manufacture of steel drums for overseas shipment of gasoline, oil and other petroleum products, were issued November 17 by the Priorities Division, and are effective immediately.

Under General Preference Order M-45, manufacturers of steel drums will be required to set aside a specified inventory of the 16- and 18-gauge hot-rolled sheet steel from which the drums are made. This inventory is to be used only upon specific order of the Director of Priorities. The companion order, making up the other half of the program, is Preference Rating Order P-76. It extends a rating of A-4 to deliveries of the sheet steel to drum manufacturers for the purpose of replenishing the original inventory. Any sheet steel acquired with its assistance must be held under the same conditions as the originally designated inventory.

A manufacturer is not required to set aside more than the original reserve inventory, and he is not required to replace it. If he wishes to do so, however, he can use the preference rating extended by Preference Rating Order P-76 to acquire the necessary stock.

112 planes allocated among commercial lines

Following the recommendations of the civil aircraft committee, the aircraft branch of the Office of Production Management has made tentative allocations of 112 planes to commercial airlines in the United States during 1942.

Twenty-eight Lock heed Lodestars and 84 Douglas DC-3's are involved in the allocations. Announcement of 4-engine planes to be allocated will appear at a later date.

Folows SPAB approval

This action follows the approval by the Supply Priorities and Allocations Board on October 7 of the plan for aircraft manufacturers to accept civil orders. Covering the 18-month period beginning January 1, 1942, the program provides for the construction and delivery of 136 DC-3's, 52 Lockheed Lodestars and 20 DC-4's.

Airlines affected

The allocations and the airlines affected follow:

Allocation of Lockheed Lodestars to commercial air lines—1942

<table>
<thead>
<tr>
<th>Airline</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Continental Airlines</td>
<td>4</td>
<td>3</td>
<td>5</td>
<td>1</td>
<td>3</td>
<td>16</td>
</tr>
<tr>
<td>Mid-Continent Airlines</td>
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<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>12</td>
</tr>
<tr>
<td>National Airlines</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>12</td>
</tr>
<tr>
<td>Trans-Canada Air Lines</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>28</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>95</td>
</tr>
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</table>

Allocation of Douglas DC-3's to commercial air lines—1942

<table>
<thead>
<tr>
<th>Airline</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td>American Airlines, Inc.</td>
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<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>30</td>
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<tr>
<td>Braniff Airways, Inc.</td>
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<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td>Chicago &amp; Southern Air Lines, Inc.</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>25</td>
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<tr>
<td>Delta Air Lines, Inc.</td>
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<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td>Eastern Air Lines, Inc.</td>
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<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td>Mid-Continent &amp; Western Air Lines, Inc.</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td>Pan American Airways</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td>Transcontinental &amp; Western Air Lines, Inc.</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
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(Prepared by civil aircraft committee subcommittees on allocations at its meeting on November 10, 1941.)
November 25, 1941

High priority to speed building of Massena aluminum plant

A high priority rating for necessary materials was granted November 18 by the Director of Priorities to insure speedy construction of an aluminum plant at Massena, N. Y.

Construction is scheduled to start on January 3, 1942, and first units of the plant are expected to be in production by May 2. Other units are due to go into production in May and June.

Thirty-eight buildings will be constructed at Massena, housing the machinery for a total annual production of 150,000,000 pounds of aluminum. Under ordinary circumstances a plant of this magnitude would take from ten months to a year to build. A preference rating of A-1-b has been assigned the project, under Preference Rating Order P-19-b. The bulk of the material needed is structural steel for buildings, steel plates for the construction of aluminum pots and copper cable for electrolytic machinery.

The plant is being financed by the Defense Plant Corporation and will be operated by the Aluminum Company of America.

Manufacturers of furnaces for treating metals granted A-1-c rating on materials

Manufacturers of furnaces used in the heat treatment of metals are granted the assistance of an A-1-c rating in acquiring the necessary materials, in an order issued November 22 by the Priorities Division.

The rating may be applied to purchase orders for the component parts and materials listed in Exhibit "A" attached to the order.

These are: Motors and other electrical accessories; mechanical parts and accessories; alloy and carbon steels in bars, forgings, castings, plates, sheets, shapes, and tubes; ferrous and nonferrous castings and forgings; abrasives; indicating instruments and accessories; refractories and insulation; controlled atmosphere generators and accessories; burners and their accessories; and paint and finishing materials.

Maintenance shop supplies. (This item applies to a producer's requirements only and is restricted to items necessary for proper operation and maintenance of a producer's manufacturing equipment and facilities.) Foundry supplies consisting of: Steel rail and other steel scrap, silvery pig iron, regular pig iron, coke, ferroalloys, ferromanganese, vanadium, nickel, molybdenum, and chromium.

Assigned to some 50 manufacturers

The preference rating has been assigned to some 50 manufacturers of furnaces, both electric and combustion, to be delivered to fill defense orders defined in the order. The rating may be extended to their suppliers for the acquisition of material listed in the exhibit, and which is to be physically incorporated in the finished product. Each purchase order covered by the rating must bear the following statement:


This statement should be signed by a responsible official of the company making use of the order.

Fill allocations immediately, scrap dealers are warned

Dealers in iron and steel scrap were warned November 21 by the Division of Priorities that they are expected to comply fully and immediately with scrap allocation orders issued by OPM.

With a current serious scrap shortage, many allocations are being made daily to assist operations of steel mills with defense orders. Even a short delay in compliance with an allocation may interfere with production at a mill.

It was pointed out that General Preference Order M-24, which covers the distribution of scrap, provides that violators of the order may be prohibited from making or receiving deliveries of scrap by the Director of Priorities, and that undue delay in making allocated deliveries could be classed as a violation.

Office designated to receive yarn purchase duplicates

The Director of Priorities, OPM, has designated the Textile Tabulating Office, Bureau of Research and Statistics of the Office of Production Management, 10 East Fortieth Street, New York City, as the agency to receive duplicates of certificat es and allocation orders filed with producers and jobbers by persons seeking to purchase reserve yarn set aside in accordance with Supplementary Order M-37-a.

Titanium dioxide put under allocation

General Preference Order M-44, which directs the distribution of titanium dioxide for use as pigment, through a monthly allocations system, was announced November 22 by the Director of Priorities.

Purpose of the order, which becomes effective December 1, 1941, is to set up a defense pool to take care of all mandatory orders and to prorate the remainder on an equitable basis to all customers.

The defense pool for the first month is set at 20 percent of each producer's daily production. The percentage may be changed from month to month as defense needs vary.

In addition to the armed services and the Maritime Commission, who are heavy users of titanium pigments in paint and other protective coatings, the Director of Priorities is authorized by the order to allocate supplies out of the pool to potential users who do not have a previous customer rating with the producers.

Titanium dioxide is produced from ilmenite ores, with the bulk of the United States' supply formerly coming from India. When the possibility of increasing shipping difficulties was realized, additional American mines were developed. These, with stocks on hand, will prevent any curtailment of output caused by the cessation of imports. American production of titanium pigments has more than doubled since 1937.
MATERIALS . . .

Building of Douglas Dam only way defense power needs for 1943 can be met—Batt

The Office of Production Management November 17 urged prompt congressional approval of Douglas Dam on the French Broad River in East Tennessee.

In a letter to Representative Clarence Cannon, of Missouri, chairman of the House Appropriations Committee, W. L. Batt, Director of the OPM Division of Materials, said that "there is no other source from which 100,000 kilowatts can be obtained within the time limits required."

Mr. Batt said that the OPM conclusions were reached after a reexamination of the whole subject and an exploration of all the alternative projects presented as substitutes for Douglas Dam.

Other projects recommended

Construction of other projects in the same budget estimate is also recommended. These include Fontana Dam on the Little Tennessee and installation of additional units at Tennessee River dams. All are TVA projects.

Mr. Batt's letter of November 17 to Congressman Cannon follows:

Dear Mr. Cannon: When your committee determined to postpone its final decision on the TVA estimates transmitted to you by the President on September 16, I agreed to reexamine the entire power production program embodied in those estimates with particular attention to the details of the proposed Douglas Dam project and the alternative proposals made with respect to it.

Alternatives do not meet time schedule

The Office of Production Management has again studied the needs for power for defense and the time schedule within which the needs must be met. We have resurveyed the estimates and schedules presented by TVA engineers, and have explored all the alternative projects which have been presented as substitutes for the Douglas Dam. On the basis of this reexamination, we are satisfied that none of the proposed alternatives to the Douglas Dam will meet the time schedule required by defense demands during the year 1943.

I want to make clear beyond any doubt that we believe every kilowatt from every project which will be authorized by the approval of this entire program will be needed for the defense program. And, with respect to Douglas Dam specifically, I want to emphasize that its construction is the only way by which that portion of the power needed in 1943 can be provided. We find there is no other source from which 100,000 kilowatts can be obtained within the time limits required. That is the reality we must face.

Favorable construction factors

Your committee is familiar with the unusually favorable factors which make it possible for the Office of Production Management to rely on the availability of power from Douglas Dam to meet power requirements during the critical period of the year 1943. The technical engineering data upon which we base our conclusion that this unusually speedy construction schedule is possible have been submitted by Colonel Theodore Parker, TVA's chief engineer. This conclusion is reinforced by common-sense considerations which are persuasive to those unfamiliar with construction engineering. Only a few miles away, at the site of the Cherokee Dam, which is now nearing completion, TVA has almost all the major equipment required to build the Douglas Dam, which is an almost identical structure. The existing engineering and construction force can be moved as a unit and without delay to the Douglas Dam. No other location in the Tennessee Valley or elsewhere presents this important advantage.

Contrasted with substitute proposals

In order to evaluate the the advantages of Douglas Dam it is necessary to contrast it with the proposed alternatives. If they are understood, I believe our conclusion cannot be challenged.

1. Steam plants.—Even with the highest priorities which, in view of the Naval requirements, could be assigned to this project, to build and install equipment in a new steam-electric plant to provide the same amount of power would take not less than 34 months. This is 16 to 20 months longer than the construction of Douglas Dam will require. About this there can be no question to anyone even remotely familiar with procurement problems at the present time. With present requirements of the Navy and the existing load on the prime builders, new steam-electric plants today are practically out of the picture. The manufacturers of steam plant equipment are loaded beyond their capacity.

2. The Holston projects.—A full year's power production would be lost if the two proposed hydroelectric projects on the Upper Holston River were substituted for Douglas. These storage dams cannot now be completed in time to let the reservoirs fill during next year's rainy season; and the power is needed in 1943. Here, too, in addition to the technical information with respect to construction schedules supplied by Colonel Parker, there are difficulties clear to the layman which account for the longer time required. Obviously the substitution of two hydroelectric power plants in place of one Douglas Dam would not solve the problems involved in recruiting labor and purchasing equipment. Even in normal times this consideration would rule out the desirability of adopting the single project.

The present time is the critical period when the needs for power for defense extend beyond their capacity. The Holston developments would involve one further risk which is virtually nonexistent in the case of the Douglas project. That is the very real possibility that the reservoirs behind the Holston Dams might not be entirely filled in the first filling season after their completion and that power would not become available for an additional year. The advantages of the Douths Dam in this respect are evident from the fact that the two Holston projects have a combined drainage area of slightly over one-fourth the drainage area behind the Douglas Dam and that the average stream flow of the whole subject is less than one-third that at the Douglas site.

It should also be pointed out that the total cost of the two Holston projects is half as much as the Douglas Dam—$49,000,000 as against $82,000,000.

The record of the hearings before your Committee reveals that the opponents of this project laid great emphasis on the fact that TVA itself had recommended the Holston projects to this office last spring. As a result it has been publicly implied that some portion of the facts is the result of an admission that, as of today, the Douglas Dam is the only project which can meet the power requirements of defense industrial production within the specified schedule. The truth is that Douglas Dam is now proposed instead of the Holston projects in response to stringent facts. As questions of good faith have been raised, I want to review the record for your information. This is what happened:

Review of the record

On April first of this year, in response to a request from this office, the TVA submitted a letter listing projects which could be built to supply the defense power requirements then foreseen. The letter listed the dams on the Holston as projects which could provide power in 1943. If construction were commenced by the summer of 1941, Douglas was not listed. But there was no mystery about that circumstance. The special advantages of the Douglas project were known and developments were urged and reports. The Holston projects, from TVA's point of view, were the only ones for the Douglas Dam. They would flood less fertile land. TVA felt that it had responsibilities other than power production, extending to the matter of agricultural development, and hence gave the factor weight. Therefore the Holston Dams were proposed for our consideration because they could have provided
November 25, 1941

OHP order freezing power consumption expected to save 5,000,000 kw.-hrs. a week

An OPM order freezing power consumption of large commercial and industrial consumers in six Southeastern States to their September level is expected to save at least 5,000,000 kilowatt-hours a week, it was estimated November 19 by the OPM power branch.

OPM also was on record November 19 as favoring steps to increase the power supply of the area to meet defense power needs in 1943. W. L. Batt, director of the Materials Division, has written Representative Clarence Cannon, of Missouri, chairman of the House Appropriations Committee, urging prompt congressional approval of the proposed Douglas Dam in East Tennessee. Mr. Batt's letter appears on page 8.

Curtailment deferred

In the meantime, OPM power officials are doing everything possible to cut off as long as possible a drastic power curtailment in Georgia, Alabama, Tennessee, Eastern Mississippi, Southeastern South Carolina, and Northwest Florida. The 30-percent cut has twice been postponed and is now scheduled to be December 1. Such a curtailment would make it necessary for mills and factories throughout the area to shut down 2 days a week or make an equivalent reduction in operations by staggering or even eliminating shifts.

Freezing the power consumption of large consumers is one of the steps being taken to conserve power and defer drastic curtailment. Industrial and commercial consumption in the area is currently running at a higher level than in September. Freezing such customers to their September consumption will result in a substantial saving.

Savings from other sources

Power is also being saved through the black-out of all electrical signs, show-window and theater lighting, and all other forms of nonessential lighting. The saving from this source is estimated at between 4 and 5 million kilowatt-hours a week.

Thus, the freezing plus the black-out are saving approximately 10,000,000 kilowatt-hours a week.

In addition, the power-pooling plan, by which interconnected systems in the block of States from Virginia to Illinois and from Florida to Texas are sending their surplus power into the shortage area, is bringing into the region nearly 40,000,000 kilowatt-hours of power a week. That is 10,000,000 more than before the OPM pooling order was issued. A pooling arrangement was in operation before the OPM order was issued but on a voluntary basis.

Since the original OPM order was issued more than an inch of rain has fallen in the Valley, producing approximately 70,000,000 kilowatt-hours of power. This plus the pooling, the black-out, and the freezing made possible the postponement of the 30-percent curtailment to December 1.

Resins for radio tubes, B-4

Two new amendments to General Preference Order M-25, governing the supply and distribution of formaldehydes and the synthetic resins made from them, were announced November 17 by the Priorities Division.

Amendment No. 3 places bases for radio tubes under Classification 1 of the permitted uses, as no suitable substitute for plastics for this purpose has been discovered—delivery of the resins for the production of bases are assigned a rating of B-4.

Amendment No. 4 assigns a preference rating of B-8 to deliveries of synthetic resins molding powder to radio manufacturers in the amounts required to produce molded cabinets for their existing inventories of radio chassis.
CIVILIAN SUPPLY

Passenger auto output for February 1942 cut to 43.9 percent of same month this year

Passenger automobile production in February 1942 will be restricted to 43.9 percent of the output in the same month of 1941, Leon Henderson, director of the Division of Civilian Supply, announced November 19.

This 56.1 percent reduction may be made greater as the result of increasing demands for steel and other critical materials for national defense, Mr. Henderson emphasized. There is no guarantee that sufficient materials will be available to meet maximum production allowances in any consumers' durable goods field.

Announcement of February production plans was made after a meeting of Government officials with the passenger-car subcommittee of the automotive defense industry advisory committee.

Production in February, this year, was 396,521 cars. Maximum output next February will be 174,122 cars.

39.7 percent reduction over 7 months

This means that for the first 7 months of the 1942 model year, from August 1, 1941, to March 1, 1942, maximum production will be 1,402,187 cars, compared with 2,325,038 cars produced in the corresponding period of 1941-42, or an overall reduction of 39.7 percent.

According to the program announced by Mr. Henderson August 21, a curtailment of at least 50 percent for the full model year ending July 31, 1942, will be achieved. A reduction of 26½ percent was ordered during August, September, October, and November, 48.4 percent in December, and 51 percent in January 1942.

Under the February plan, the larger companies—General Motors, Chrysler and Ford—will be curtailed at least 59.3 percent below output this February. Proposed over-all reduction for the smaller concerns—Studebaker, Hudson, Nash, Packard, Willys-Overland, and Crosley—is 15.7 percent.

Because their production in February of this year was seasonally low, Packard and Willys-Overland will be permitted increased production next February.

Alternative base period relieves hardship on parts producers

Hardships resulting from the base period established under Limitation Order L-4, which affects production of replacement parts for passenger cars and light trucks, will be relieved by the terms of an amendment issued November 22 by Donald M. Nelson, Director of Priorities.

The original limitation order provided that a spare parts producer may make during the period from September 15 to December 31, 1941, 60 percent of the number of parts sold by him for replacement purposes during the period from January 1 to June 30, 1941.

Reports reaching the automotive, transportation, and farm equipment branch of the Division of Civilian Supply showed that many producers have their heaviest output in the months from July to December.

Under the terms of the amendment, which was effective immediately, a producer may select either January 1–June 30 or July 1–December 31 as the base period on which to figure total production from September 15 to the end of the year.

<table>
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<tr>
<th>Allotments</th>
<th>Production</th>
<th>Percent decrease in allotments</th>
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<tr>
<td><strong>February 1942</strong></td>
<td><strong>February 1941</strong></td>
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<tr>
<td><strong>GENERAL MOTORS CORPORATION</strong></td>
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<td>Chevrolet</td>
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<td>Pontiac</td>
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<td>Oldsmobile</td>
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<td>Cadillac</td>
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<td><strong>CHRYSLER CORPORATION</strong></td>
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<td>Dodge</td>
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<td><strong>FORD MOTOR CO.</strong></td>
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<td>Mercury</td>
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<td>Lincoln-Zephyr</td>
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<td><strong>OTHER MOTOR COMPANIES</strong></td>
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<td><strong>Grand total</strong></td>
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*The usual percentage distribution of passenger cars for General Motors (Option "C") has been adjusted with the following changes in numbers of cars: Chevrolet, -16; Buick, +7; Pontiac, +12; Oldsmobile, -1; Cadillac, +13. This adjustment was necessary in order to offset errors in 4-month quotas as announced in Limitation Order L-4.
Civilian Supply will urge more time to use up stocks of bright auto trim

The automotive, transportation, and farm equipment branch of the Division of Civilian Supply will take steps necessary to give the automotive industry an additional 15 days in which to use up existing stocks of bright finish or trim on passenger cars.

Under an order issued October 27 by Priorities Director Nelson, the use after December 15 of bright finish containing aluminum, copper, nickel or chrome was prohibited.

Exemption planned for some parts

The branch will recommend an amendment postponing the effective date of the Order to December 31 so that manufacturers can use up stocks finished or in process as of October 27. If any stocks still remain in inventory December 31, it is the purpose of the branch to permit manufacturers to use them only if they are painted or treated in some manner so that they will lose their identity as bright finish permanently.

This announcement was made by Andrew Stevenson, acting chief of the branch, at a meeting November 20 with the passenger car subcommittee of the automotive defense industry advisory committee.

At the same time, Mr. Stevenson announced that the branch has taken steps to exempt windshield wiper blade and arm assemblies, locks and lock covers, ventilator window latches, and body trim screws from the provisions of the order. Manufacturers have informed the branch that substitute materials for plating these functional parts have not yet been found.

May urge freezing of designs

Other action planned by the branch to conserve critical materials for defense will include a recommendation for issuance of an order to freeze 1942 passenger car model designs. This would eliminate necessity for retooling for 1943 models.

The passenger car subcommittee received suggestions from the Consumers' Division of the Office of Price Administration for simplification of models. Among these suggestions were elimination of de luxe and heavy models, reduction in amounts of extra equipment such as cigar lighters, clocks, and dual taillights, and reduction in the number of colors used.

Price Administration . . .

OPA reveals evidence that zinc producer violated agreement not to sell to dealers

Definite evidence of violations by a major zinc producer of the agreements reached last February between the Government and all primary zinc producers regarding sales practices incidental to maintaining the informal price ceiling in effect since October 1940 has been secured by the Office of Price Administration. Administrator Henderson stated November 19. An agent of the producer and two zinc dealers are implicated.

The parties involved are the Hegeler Zinc Co. of Danville, Ill.; Sol M. Marks of Cleveland, Ohio; agent for the Hege ler Co., Tyroler Metals, Inc., Cleveland; and Adam Hope Co., Detroit, dealers who handled Hegeler zinc.

Agreed not to sell to dealers

Last February zinc producers agreed in writing with Mr. Henderson, then a member of the Advisory Commission to the Council of National Defense, not to sell to dealers, but rather to deal direct with consumers. There was also an informal agreement to maintain the $1.45 a pound price which had prevailed since October 1940.

Evidence secured by OPA shows:

(1) The Hegeler Zinc Co., without requesting release from its agreement, has sold slab zinc to Sol M. Marks, Tyroler Metals, Inc., and Adam Hope Co. in their capacity as dealers.

(2) That in August 1941, Tyroler Metals, Inc., purchased two carloads of zinc, produced by the Hegeler Co., from Sol M. Marks, and at that time as an agent for the Hegeler Co., at the established price of 71/4 cents a pound. This was paid to the Hegeler Co. Tyroler Metals then resold 71/2 cents to the Hegeler Co. of the difference between 71/2 cents and 71/4 cents a pound.

(3) That in August 1941, Adam Hope Co. sold eight shipments of zinc totaling 230,339 pounds and bearing the stamp of the Hegeler Co. to the Detroit Brass and Malleable Works at prices ranging from 10 3/4 cents to 15 cents a pound. Adam Hope Co. refused to permit inspection of its books in regard to these transactions. OPA found no evidence from an examination of the Hegeler Co.'s books indicating payments to that concern by the Hope Co. of any part of the difference between 71/4 cents and the price charged by the Hope Co.

Mr. Henderson pointed out that violation by the Hegeler Co. of the agreement not to sell to dealers created a situation permitting gross profiteering and inflation of prices not only for the zinc involved, but also for products made from the zinc. He suggested that buyers of the zinc might well explore the possibilities of proceedings to recover the overpayment.

Maximum prices for new machine tools to be considered further

Further discussion of a schedule of maximum prices for new machine tools will take place at a third meeting early in December between representatives of the industry and OPA.

The initial meeting with machine tool makers was held October 22 after Mr. Henderson had announced that consideration was being given to the issuance of a formal ceiling price schedule. A second meeting took place November 18.

OPA halts prices of paraffin, important to defense and civilians, after sharp rise

A price ceiling on paraffin wax, important to both defense and civilian uses, was announced November 22 by OPA Administrator Henderson.

Paraffin wax is used in the manufacture of waxed, waterproofed; and photographic papers, lubricating and electrical insulating compositions, floor and furniture polishes, and candles; and in the coating of paper cartons for various materials.

It has many uses in connection with products which must be waterproofed or protected from drying, acting as a waterproofing agent for explosives and a coating for cartridges.

Sharp rises noted in crude

Mr. Henderson acted because prices of crude scale paraffin wax have risen sharply in recent months. He cited as an example that crude scale wax having a melting point of from 122° to 124°, which is one of the most widely sold grades, has increased from 2.85c to 6.25c per pound.

During 1940, the average price of this grade of wax was 3.86c per pound. Average prices last year were lower than the maximum prices set forth in the schedule.

After consultation with producers of both crude scale and refined wax, OPA determined that there was no justification for crude scale prices in excess of 4.25c per pound (122°-124°) and refined wax prices over 5.25c per pound (123°-125°). The maximum prices are effective December 1 and vary according to grade and melting point. Prices established for refined wax are approximately the same as those currently quoted while those on crude scale wax are below prevailing prices.

Consideration for exporters

OPA considered the position of exporters and jobbers in the wax industry, and the prices established are high enough to permit them to continue their operations.

Maximum prices are set forth for shipments of crude scale, semirefined, and fully refined wax in lots of 10,000 pounds or more, with differentials on smaller shipments on a delivered basis.

Basing points, on which the maximum prices apply on an f. o. b. seller's shipping point basis, are established as follows: Whiting, Ind., New York, N. Y., Philadelphia, New Orleans, Baton Rouge, and Texas Gulf ports.

Crude scale wax is usually of two grades, yellow and white, and is marketed mostly in two melting ranges, 122°-124° and 124°-126°.

Wax processed until it is white or colorless, odorless, and tasteless is termed fully refined wax and is sold in a number of grades differing in melting points ranging from 105° to 108°, Fahrenheit, to as high as 132° to 152°.

A petroleum by-product

Paraffin wax is a byproduct of the petroleum industry and must be removed from paraffinic petroleum crudes to obtain satisfactory lubricating oils. Many of the large petroleum refineries of the country are engaged in the production of this wax.

Prices set forth in the schedule for crude scale wax, both white and yellow, range from 4.25c per pound in loosely packed barrel shipments to 5.25c per pound, depending upon the melting point. Prices on semirefined wax, the term applied to wax which has an oil and moisture content below 1 percent, are within the same range. Prices of fully refined wax range from 5c on wax with a melting point of 120°-122° to 10.5c for a melting point of 149°-151°.

Weigel named director of OPA regional office in Chicago

Appointment of John C. Weigel as director of a regional office being opened in Chicago by the Office of Price Administration was announced November 22 by Administrator Henderson.

Mr. Weigel was formerly on the executive staff of Sears Roebuck & Co. In addition he has held a number of important posts in the Illinois State Government.

The staff of the Chicago office will include representatives of the Price Division, the General Counsel's office, the Consumers' Division, and the accounting staff. Work of the office will be limited largely to investigations, inspections, and compliance problems referred from Washington, and to answering of queries from business enterprises affected by price actions of OPA.

The Chicago office is to be located in the Civic Opera Building adjacent to quarters of other defense agencies in Chicago.

Three more scrap dealers to refund excess

Three more large broker-dealers in iron and steel scrap have signed stipulations providing for the refund of all amounts collected since September 2 in excess of the maximum prices established by the Office of Price Administration in Price Schedule No. 4, Administrator Henderson announced November 19.

The latest cases involve a leading broker-dealer in Pittsburg and a concern which acts as the scrap-buying agent for an abrasives mill also has signed refund stipulations, the administrator added.

"Upgrading," "commissions" scrutinized

Mr. Henderson stated that two prohibited practices currently are being given special attention by his office. These are "upgrading" of scrap in the Pittsburgh area and collection of 50-cent per ton "commissions" by brokers and dealers selling scrap out of their own yards.

The "upgrading" under scrutiny consists of reported sales of a newly improved grade of scrap, termed "No. 1 industrial heavy melting scrap," as the equivalent of No. 1 railroad grade heavy melting scrap. The latter grade commands a premium of $1 a ton over the so-called ordinary No. 1 heavy melting steel scrap under the schedule's provisions.

"No. 1 industrial heavy melting scrap" may not be sold at a price above the maximum for ordinary No. 1 heavy melting scrap, Mr. Henderson said.

As to commissions, the administrator pointed out that the schedule sets forth specific conditions under which commissions may properly be charged. In order to collect a commission, according to one of these conditions, the agent or broker must be employed by a consumer to purchase iron and steel scrap for the consumer's use. Further, it is stipulated that a dealer who has never acted as a broker prior to June 18, 1941, "shall in no case be allowed a brokerage commission."

Brokers and dealers who are collecting commissions on sales of scrap that is prepared and shipped from their yards are clearly violating the schedule, Mr. Henderson said. Restitution of commissions improperly collected has been called for in several of the refund stipulations that OPA has obtained recently in its proceedings to enforce the schedule strictly.
Amended Southern pine price schedule puts ceilings on freight car building items

Amendment of the Southern pine lumber price schedule to bring freight car construction materials under a ceiling and to make other important adjustments was announced November 19 by OPA Administrator Henderson.

Maximum prices established for freight car decking, sheathing, and lining are from $2 to $8 per thousand board feet below existing levels.

Other adjustments

Other changes made by the amendment, which became effective November 24, 1941, include:

1. Top prices for flooring are raised for the two highest grades and reduced for the two lowest grades.
2. Allowance for mixed shipments is reduced from $2 to $1 per thousand board feet.
3. An addition of $3.50 per thousand board feet is allowed in the case of retail direct-mill shipments, accompanied by specified retail services.
4. Ceiling prices of bevel siding are reduced, and those for the two highest grades of drop siding are adjusted to decrease the maximum for certain patterns and to increase the prices of other patterns.
5. Permissible additions to maximum prices for planing of boards are lowered and those for drying are increased.

Ceilings seemed unnecessary at first

When the Southern pine lumber schedule originally was issued, it was not considered necessary to include freight car materials since it was expected that the OPA ceilings for other items would serve to keep car material prices stable.

This expectation was not realized. Moreover, manufacturers of the higher grades of flooring, which are under the OPA ceiling, diverted some of their production to freight-car materials. Supplies of high-grade flooring, already short, thus were reduced further.

The OPA amendment is designed to correct this situation in two ways. First, by setting maximum prices for the principal types of freight-car materials at less than current levels and, second, by increasing the ceilings for the two upper grades of flooring by $3 per thousand board feet. Simultaneously, the top prices for the two lowest grades of flooring, supplies of which are adequate, are reduced by $1 per thousand board feet.

A special allowance is made in the amendment for final inspection of car materials at the destination point, rather than at the mill. Destination inspections usually result in more rejections for defects and leave the rejected lumber at a distance from the mill; hence, they involve higher costs for the seller. The amendment allows an additional charge of $5 per thousand board feet to cover these greater costs.

Reduction of the additional charge which the schedule allows for mixed car shipments from $2 to $1 per thousand board feet is intended to eliminate abuses.

The mixed-car allowance was designed solely to compensate the seller for added trouble and expense when the buyer wants a variety of items. Some sellers have attempted to obtain an extra $2 per thousand by insisting that the buyer take a mixed car, whether he needs it or not, and by the inclusion in a straight car of the minimum number of added items to satisfy the mixed-car definition.

In spite of repeated warnings to individuals by the OPA, this practice has continued. A trial period under the reduced allowance will be permitted, Mr. Henderson said, and if abuses continue, the mixed-car allowance will be eliminated from the schedule altogether. The same warning applies to the practice of insisting on selling specified lengths or kiln-dried lumber, for no other reason than to obtain a premium.

The schedule does not compel a seller to sell straight cars or random lengths if he has not customarily done so or is unable to do so; it merely requires that a seller who has usually filled such orders shall not now refuse to do so and demand that the buyer take a mixed car or specified lengths whether he originally wanted to or not.

Allowance for direct mill shipments

Allowance of not more than $3.50 per thousand board feet in the case of direct mill shipments of a retail nature is intended to make provision for lumber retailers who are doing an increasing amount of business of this character. In order to be entitled to the additional charge, the sale must involve less than 20,000 board feet and must be accompanied by the usual services attending the sale of lumber out of a retail distribution yard. Among these services are: delivery to the job site or other point specified by the purchaser in such quantities and at such times as the purchaser specifies; tallying and checking; the privilege of exchanging goods and returning unused material; and replacement of deficiencies out of stock.

The original schedule set a top price of $47 per thousand board feet on bevel siding Grade B and better. By the amendment, bevel siding is divided into two thicknesses 1/2" and 3/4". Maximum prices of $45 and $39 per thousand board feet, respectively, are established for the 3/4" and 1/2" thicknesses. This change brings bevel siding prices nearly in line with the present market.

Price adjustments for drop sidings

Drop siding is regrouped in the amendment to set specific prices for four leading patterns and a separate list of prices for all other patterns. With respect to those patterns that are most costly to produce, the ceiling prices are raised $4 per thousand feet in the 6' widths. The remaining patterns are reduced by $5 per thousand in both 6' and 8' widths. These adjustments apply only to B and better and C grades of drop siding, the prices of other grades remaining unchanged.

The allowable addition to ceiling prices for air and kiln-dried boards and strips is increased 50c a thousand feet and now corresponds to the additions permitted for drying dimension lumber. The permissible addition for matched and slip-lap boards and strips is reduced 50c a thousand. By these changes, the schedule will reflect more accurately the actual costs involved in rendering these services.

As amended, the schedule expressly stipulates that the 50c allowable addition for chemical antistain treatment of boards, strips, and dimensions can be made to rough or air-dried prices, but not to kiln-dried prices.

George W. Doffing, head research analyst of the petroleum and coal industries for Scudder, Stevens & Clark, New York investment counsel, has been appointed price executive in charge of the fuel section of OPA, J. K. Galbraith, assistant administrator, announced.

Mr. Doffing succeeds M. Quinn Shaughnessy who was drafted from the Securities and Exchange Commission to organize the OPA fuel staff. Mr. Shaughnessy will continue with OPA as a consultant.
Price Protests Mount

One-third more complaints of the rising cost of living and petty that "somebody do something about it" were sent to Miss Harriet Elliott, head of the Consumer Division, OPA, during the two-and-a-half-month period between September 1 and November 15 than during the entire previous 7-month period between last January and August.

A tabulation of the complaints shows that consumers are mainly concerned with the price of food in general, and milk, meat, eggs, and dairy products other than milk in particular. Many also condemned such price-raising trade practices as the marking-up of goods already on the retailer's shelves and advocated the quick passage of Federal price control legislation.

The tabulation of price complaints, broken down by commodities, is as follows: Food, in general without mentioning any specific item, 17.27 percent; rising cost of living in general without mentioning any particular commodity, 5.90 percent; milk, 14.18 percent; meat, 12.25 percent; eggs, 7.29 percent; dairy products other than milk, 6.89 percent; cereals and bakery products, 5.03 percent; sugar, 4.67 percent; fats and oils, 4.53 percent; coffee, 3.59 percent; canned fruits and vegetables, 3.38 percent; fresh fruits and vegetables, 3.02 percent; rent, 2.15 percent; clothing and textiles, 2.44 percent; hosery, 1.51 percent; canned fish, 1.22 percent; soap, 0.57 percent; fuel, 0.57 percent; laundry and cleaning, 0.28 percent; miscellaneous, 3.16 percent.

The greatest number of complaints came from California and New York. With Pennsylvania, Illinois, Ohio, New Jersey, and Massachusetts following in that order. Only four states—Nevada, New Mexico, South Dakota, and Vermont—were not represented among the complaint letters.

The following excerpt from a letter received by Miss Elliott from a Chicago housewife is fairly typical of the great majority of complaints:

"My husband is a white collar man and has not received an increase in wages," this letter states. "With the constant increase in price of food, I find it impossible to manage on our income. We have three children, all of whom are growing rapidly, with the appetites that accompany such ages, and I simply cannot afford to buy enough for our actual needs, for the prices of foods are exorbitantly high. Surely you can do something to stem the tide of profiteering and speculation, which is depriving us of the sheer necessities of life."

"How can we raise sturdy children for our defense if we must deny them nutritious food, due to these unfairly high prices? Surely if we, that always lived comfortably, find that we must deny ourselves actual necessities, such as curtailment of milk, butter, eggs, how can the housewives on a lower income level feed their families at all. I implore you to take our stand against the unfair food increases."

Other excerpts, typical of the letters received from all sections of the country which urge that "somebody do something" to control prices:

Ohio—"We appreciate that you are doing all you can to keep prices down. Please can't you do something still more drastic? Prices are going up so terribly high that we shall have to go without new clothing just to buy food and coal and other absolute necessities."

Kentucky—"Unless prices are halted, the sky will be the ceiling. Essential goods will have been done after prices have reached the peak. Time to control is before the conflagration has got out of control. Action is needed at Washington instead of so much camouflage and jittering around."

Washington—"What good is the setting of prices of nonessentials when the essentials rise out of sight, such as milk, butter, meat, etc."

Pennsylvania—"Retailers and small stores blame wholesalers for food price increases. Wholesalers blame farmers. All blame high wages. Labor leaders blame prices. It seems that nothing will stop this scy' go-round but an act of Congress. So we are writing our Congressmen and urging others to."

Louisiana—"I suggest that standards for a balanced diet in the shape of menus embracing less expensive foods, be prepared for distribution in circular or pamphlet form. Then let the prices on the foods used in the pamphlet be fixed."

Every letter sent to the Consumer Division is individually answered. In cases where complaints are made of prices for a specific commodity, the Consumer Division explains the factors contributing to the price rise, compares the local price with the national average for that particular commodity, and indicates whether or not it appears to be out of line. The consumer is also informed of what the Federal Government is doing to prevent unwarranted price rises and is given suggestions of what might be done locally in some cases to keep the price of the commodity in question down. Where inexcusable substitutes are available, the Consumer Division calls attention to them.

Information on Wise Buying

During this period of national emergency, the stretching of the household dollar takes on an added significance. It was pointed out in a statement made last week by Miss Harriet Elliott, Associate Administrator of the Office of Price Administration, in charge of the Consumer Division.

The statement was made in connection with an announcement by Miss Elliott that the Consumer Division began on November 17 to make available to women's page editors information on how housewives of the Nation could aid national defense by the wise buying and conserving of goods.

"The commodity information service which the Consumer Division began last week is designed to aid in educating the consumers of the United States to their roles as economic citizens," Miss Elliott said.

"More and more, the role played by the housewife in our national economy is becoming important to the success of the defense program. Every time the housewife buys her household supplies, she draws upon the entire productive facilities of the Nation—its limited supplies of raw materials, its labor forces, its factories and machines, and its transportation system of ships, trains, and trucks.

"If she buys these goods wisely and conserves them carefully—if, in other words, she manages efficiently so as to get 100 cents value in return for every dollar spent—then she is making a direct contribution to the defense effort."

The commodity information service will supplement the Consumer Division's semimonthly magazine, "Consumer Prices," which contains the same type of information as will be covered by the commodity service but which is circulated for the most part only to organization leaders.

Another service recently begun by the Consumer Division is food advice on the best buys in fresh fruits and vegetables every week in each of 28 cities. Intended as a marketing guide for week-end food shoppers in these localities, a report is made each week of the fresh fruits and vegetables which are cheapest or most reasonable in price and of best quality in each area at that time. This information is passed on to the consumers living in these localities by releases issued to the press associations, which in turn service the local newspapers, and to the local radio stations.

The data upon which the Consumer Division bases its recommendations on best buys in fresh fruits and vegetables are supplied by the Office of the Quartermaster General, which maintains a marketing center in each of the 28 cities covered by the service.
News for Retailers

Bedding Manufacturers

Asked Not to Raise Prices

More than 1,200 manufacturers of mattresses, bedsprings, studio couches, metal beds, and pillows have been asked by the Office of Price Administration not to increase prices beyond the levels prevailing on November 1, 1941, Leon Henderson, administrator, announced November 21.

Letters sent to companies in the bedding industry pointed out that their products are important consumer goods and "play an important part in the maintenance of a sound price level." They also said that a program regarding prices in the industry is now being formulated for announcement in the near future. OPA hopes to secure the assistance and cooperation of companies in the industry in developing this program.

"In the interim, we urge you not to increase your present prices and to inform us of any contemplated price changes well in advance of such changes," the letter stated.

Following is the letter sent to the industry:

"The Office of Price Administration is charged with the duty of preventing inflationary price increases. As a leading consumer goods industry, the bedding industry, and you as a member, play an important part in the maintenance of a sound price level.

"Accordingly, the Office of Price Administration hereby urges you, as a member of the bedding industry, to refrain from increasing prices on the bedding items you manufacture above the levels prevailing on November 1, 1941.

"We are now formulating a program in the bedding industry in the development of which we hope to have your assistance and cooperation. We expect to announce this program in the near future. In the interim, we urge you not to increase your present prices and to inform us of any contemplated price changes well in advance of such changes.

"You may be certain that your patriotic cooperation in furthering the defense program by helping to prevent inflation is of genuine assistance to this Office and of real service to the Nation. May we have an expression of your willingness to cooperate with our request as soon as possible."

Large Mattress Maker

Rescinds Price Rise

Simmons Co., largest manufacturer of mattresses in the United States, has cancelled a recent 5-dollar increase in the price of its "Beautyrest" mattresses at the request of the Office of Price Administration, Administrator Henderson announced November 21.

The Simmons price advance, which went into effect on November 3, touched off a series of price increases by other mattress manufacturers. Since the Simmons Company has now rescinded its action, it is to be expected that other mattress makers will return to their former price levels, Mr. Henderson said. Simmons Company is to be complimented for its very real contribution to the Government's efforts to avert price inflation," the OPA Administrator said. "Higher prices for mattresses inevitably would have disturbed prices for other articles of home furnishings. Our task in the home furnishings field has been made easier by the action of this important manufacturer."

Proposed Ceilings on Finished Bed Sheets Discussed

Technical questions involved in development of a schedule of maximum prices on finished bed sheets were discussed at a meeting November 14 between the staff of the Office of Price Administration and manufacturers, converters, and distributors of sheets.

The OPA ceiling will be below present prices and will be automatically adjustable in direct relation to fluctuations in raw "spot" cotton prices. Among the subjects discussed at the meeting were the price position of branded sheets, as compared with unbranded, and the trade position of wholesalers and jobbers.

Sheeting prices traditionally are quoted by a method of discounts off a "list." It is proposed to adhere to this method in the forthcoming schedule, with the exception that prices will be expressed specifically in dollars and cents.

Manufacturers, converters, and distributors represented at the meeting included:


Quality Deterioration in Furniture Finishes

Consumers were warned last week by the standards section of the Consumer Division, OPA, to expect quality deterioration of furniture finishes.

It was explained that due to the demands of the defense program upon existing manufacturing facilities and the difficulties of importing certain resins from the Far East and Africa, the materials used in making high-quality paints, lacquers, and varnishes are no longer available in needed quantities for either defense or civilian use.

The same chemicals used in the type of highly protective finishes that consumers are accustomed to are also in short supply in the making of explosives. They are also used in large quantities by the armed forces for camouflage paints, for protecting mechanized and other outside equipment from weathering, and for many other purposes.

As a result, paint, varnish, and lacquer manufacturers have been repeatedly urged by OPM to stretch the limited supplies by resorting to the 1920 formulas for their civilian products, using their old-time manufacturing processes instead of the more recently developed and better-quality synthetic materials.

This means, say officials in the Consumer Division's standards section, that the finishes used on such civilian goods as furniture can be expected to chip and stain more easily.

Chicago Holds First Training Program for Community Leaders

The first large-scale training program to be undertaken by the Chicago Consumer Information Center will be held November 28, with approximately 200 representatives from various districts within the Illinois Parent-Teacher Association attending.

A 2-day program, the meeting was designed to educate community leaders.
Simple rules offered to help householders save fuel oil for defense and own budget

Householders can contribute to defense and at the same time stretch their dollars by following a few simple rules in the operation of oil-fired heating plants. Miss Harriet Elliott, Associate CPA Administrator, in charge of the Consumer Division, says that studies made by her staff and other Government agencies indicate that a considerable proportion of the oil used in heating homes every year is wasted. By following better heating practices these investigations show that from one-third to one-half of the oil normally used in heating a house can be saved.

In many sections of the country this saving would amount to $30 to $40 worth of oil per year.

**Keys to fuel economy**

These are the four principal keys to fuel economy recommended by the Consumer Division:

1. Set your room thermostat at 70°. Avoid unhealthy, overheated rooms.
2. Have your heating plant tested for efficiency by an expert using modern testing devices: the flue-gas analyzer, stack thermometer, and draft gage.
4. Cement air leaks around heating chamber.

**Most homes overheated**

Health and heating authorities agree that most homes with central heating systems are overheated. The United States Public Health Service considers dry, overheated rooms as playing, perhaps, an important part in producing colds. The Health Service recommends 70° as a suitable nighttime temperature, since it permits a relative humidity that taxes the mucous membranes of the air passages much less than the drier atmosphere and higher temperatures which usually are encountered in artificially heated spaces.

During the daytime, when members of the family are engaged in active physical effort, the thermostat may be lowered to 65°.

Lowering the house temperature after retiring to 50° will save 5 to 8 percent of the fuel, depending on the outside temperatures and the heat leakage from the house. If the outdoor temperature is at 30° there is a temperature difference of 40° between the outdoors and indoors in the case of a house maintained at 70°, and of 20° in the case of a house maintained at 60°—or half as much. It takes twice as much fuel to keep the house at the higher temperature during this period. Radiators shut off in sleeping rooms after retiring will save fuel, or a clock thermostat set to turn the furnace off about half an hour to an hour before the customary time for retiring and start it again about 20 minutes before arising should soon repay itself in nighttime oil saved.

In having their heating plant inspected, householders are advised to secure the services of an expert who is skilled in using the carbon-dioxide flue-gas analyzer, the stack thermometer and draft gage. By making out a thorough combustion test report, the expert can determine the adjustments that must be made, or whether baffles are needed.

6 named to accounting, analysis division

Six appointments to the division of accounting, analysis and review of the Office of Price Administration were announced November 17 by H. F. Taggart, division head.

**Alphonse V. Bruder**, formerly project accountant for the Public Buildings Administration of the Federal Works Agency, was named to the consumers durable goods section. Previously, he was assistant treasurer of the Galco Dispenser Corporation of New York, manufacturer of motor oil dispensing equipment and lubricating devices. Mr. Bruder's home is in New York City.

**Robert E. Burns**, formerly with the Bureau of Accounts of the Treasury, was appointed to the paper section. He is a member of the American Institute of Accountants, a certified public accountant, and lives in Portland, Maine.

**Paul D. Hammacher**, formerly technical consultant to the United States processing tax board of review of the Treasury Department, was designated chief of the industrial machinery section. Mr. Hammacher has been in employ of the Federal Government since 1933, starting with the NRA. He was with the Public Works Administration in charge of the district office in Denver. He has had 13 years' experience in public accounting practice and has written a number of articles on cost, financial accounting, and budgetary control. Mr. Hammacher is a native of Oklahoma and lives in Sapulpa.

These measures can cut oil consumption from 10 to 50 percent, depending on the previous condition of the furnace.

**Other precautionary measures**

The flues and heating chambers may be cleaned of soot by the use of a long-handled wire brush. Air leaks about the ashpit or base, between the sections of a cast iron boiler or furnace, and around the clean-out doors and the firing door, may be detected by the use of a lighted candle while the furnace is in operation. These leaks can usually be sealed by furnace cement. Large leaks can sometimes be stopped by stuffing steel wool in the cracks.

Closing off rooms that are seldom used during the wintertime, rooms that are hard to heat, or where the windows are opened for cleaning or ventilation, and insulating rooms that are used the most, will afford further fuel economies.

**Paul M. Green**, on leave from the University of Illinois, where he is director of the corporation finance division, was appointed as policy assistant. Mr. Green was also on the faculty of the University of Florida as head of the department of accounting. During 1934-37 he was head research accountant for the Federal Housing Administration and has served as consultant for the division of defense housing of the Federal Works Agency. Mr. Green is a member of the American Accounting Association, American Economics Association, and the Royal Economics Society. He lives in Urbana, Ill.

**L. Donald MacKay** was appointed to the fuel section. He has had broad experience in the petroleum industry, originally with the Standard Oil Company of New York and subsequently with the Shell Oil Co., Inc., as assistant to the vice president and treasurer and later as division manager. His home is in Burlington, Vt.
Restrictions discussed on further price rises in heating and refrigerating coils

Restrictions on further increases in prices of heating and refrigerating coils and allied products are planned by the Office of Price Administration and a meeting of 22 representative manufacturers and operators was called for November 24 to discuss the matter, OPA Administrator Henderson announced November 21.

Affected by the proposed OPA ruling will be finned coils, water heaters, radiators and convectors, unit heaters, coolers and air-conditioners, and heat exchangers. These products are used in the plumbing, heating, air-conditioning, and refrigeration industries.

Also covers products not of copper

While the OPM copper curtailment order is directly responsible for action by OPA to prevent further price increases in this field, the proposed limitation will cover a number of products not made of copper. This is considered necessary because such products either are competitive with similar items made of copper or brass, or are in the nature of substitutes. Hence, prices of all are subject to the same pressure for increases arising out of the copper limitation order.

The Nov. 24 meeting was to be held in the Mayflower Hotel in Washington. Although direct invitations were sent to only 22 manufacturers and wholesalers, any producer or jobber of the products involved was invited to be present.

** Burlap and bag committee

The Bureau of Industry Advisory Committees of the OPM announced November 13 the formation of a Burlap Importing and Bag Manufacturing Industry Advisory Committee:


** Makers of railroad cars, locomotives, equipment asked not to exceed Oct. 1 prices

Manufacturers of railroad freight and passenger cars, locomotives, and maintenance of way and signal equipment have been asked not to increase prices above the levels in effect on October 1, 1941, OPA Administrator Henderson announced November 21.

The request, in the form of a letter, stated that OPA is studying the entire railroad equipment field and that formation of panels of industry members is under consideration.

Get first-hand information at meetings

To get first-hand information on price problems, policies and procedure, meetings of OPA with railroad car and specialty manufacturers and producers of maintenance of way and signal equipment were held in Washington on November 18 and 19, respectively. Locomotive builders and specialty manufacturers have been invited to a similar meeting November 25.

The OPA studies will cover freight and passenger cars of all types; car specialties, such as brake equipment, draft gears, roofs, doors, seats, lighting and heating equipment and other passenger car fittings and fixtures; steam, electric, Diesel, and gasoline-powered locomotives; locomotive specialties, such as feed water heaters, injectors, sanders, and superheaters; and maintenance of way and signal equipment and apparatus.

** Asked not to change pricing practices

Mr. Henderson's letter also requested manufacturers not to change their practices with regard to extra charges, discounts, allowances, or concessions and to continue to use the same methods of pricing specially designed equipment "so that the price set on special equipment will be the same as would have been set had the estimate been made on October 1, 1941."

"In making these requests," the administrator's letter added, "I recognize that you may have had certain cost increases in respect to labor and materials. This is offset by the fact that most companies are presently operating close to capacity and that overhead per unit of production has shown a tendency to fall. It is likewise a matter of importance that a ceiling has been placed on the price of steel, the major component of railroad equipment. In addition, ceilings on castings and forgings are presently under discussion.

"In the event that you have effected any price increases after October 1, 1941, please inform me as to their nature and extent, together with your reasons in support of such changes. Please do not make any price increases after the date of this letter without submitting to us the necessary data justifying such increases even in advance of the date when such increase is contemplated."

"I will appreciate your acknowledging the receipt of this letter and stating whether or not your company will be represented."

** COMMUNITY FOOD CENTER HANDBOOK IS READY

The U. S. Department of Agriculture suggests that many community food preservation centers can play a vital part in conserving America's Nation-building food supply.

Looking forward to the part these centers can play in making the most of the Food-for-Freedom program now getting underway, the Department's Bureau of Home Economics has ready a new handbook—"Community Food Preservation Centers" (M. P. 472), available from the Department to leaders in the organization of such centers.

"The purpose of a community food preservation center is to provide more food for better nutrition," points out the handbook—"to set up food resources that can be drawn on to keep diets up to standard. Some centers serve individual families; some supply schools serving lunches; some make food available to low-income families in a community. But in no way does such a center supplant the work of the commercial canner. Rather, it is a clearing house for local surpluses too small to be moved in carload lots—surpluses that might go to waste if not preserved immediately near the source of supply."

** USO facilities near completion

Most of the buildings being constructed by the Government for USO operation are now nearing completion, according to Brig. Gen. F. H. Osborn, chief of the Army Morale Branch. By Christmas it is expected that service men will be enjoying the benefit of these facilities.
Russia is far greater than the total capacity of Germany, her Axis satellites, and the captive countries. That looks comforting, doesn't it? But it isn't so comforting when you view it from a closer range. For one thing, Hitler has been devoting his entire steel output to military purposes for at least 6 years. He has picked up large accumulations of steel in the countries he has conquered. In Russia he has been fighting on an advancing front, which means that all of the wrecked tanks, artillery, and so on fall into his possession, for reconditioning or for use as scrap. Furthermore, there is nothing static about this war. If Russia should collapse and Hitler should control her steel industry, the scales would be just about even. If Russia and England both should fall, he'd have at his disposal a greater steel capacity than we have.

I mention that to indicate the extreme importance of meeting all the military demands that are made upon us, no matter how sharply we may have to cut into our civilian economy to do it.

Everything possible will be done

All of the producers for the civilian trade who use these scarce materials must cut down on their use of them in every way possible—through substitution, through redesigning, and so on. Many of them will face sharp curtailment of output. Some of them must convert their plants either to straight defense production or to the production of more essential civilian goods. And some, unfortunately, will have to close their doors.

That isn't a pleasant picture; but while it is not pleasant, neither is it hopeless. There is much that can be done to ease the situation. I want to promise you that everything that can be done, by your government, will be done. In return, I think your government has a right to expect that business and industry will do all that they can do, too, to help in this situation.

We have got to preserve little business. The existence of the small, independent business man is basic in our economy. But there is more to it than simply saying, "We are going to save little business—period." It is an extremely complicated proposition and there is no easy, open-and-shut answer to it.

Division among factories

Suppose that you are a Government official; suppose that you have 5,000 pounds of copper which you can use to relieve the distress of civilian manufacturers. Here is a factory with 20 workers; 5,000 pounds of copper will keep that factory in operation for 1 year. Over here, however, there are 10 other factories, each with 50 workers. These factories use a much smaller quantity of copper than does the first one; your 5,000 pounds will keep up 10 of them going for a year. Where are you going to put that copper?

"Greatest good for greatest number"

Obviously, you are not going to give it to the 1 factory which has 20 workers; you are going to give it to the 10 factories which have, in all, 500 workers. You want to use that copper so as to help the maximum number of companies and the maximum number of workers. There's no argument but that it's better to save 10 factories and 500 workers than 1 factory and 20 workers.

That's not an extreme case. It is a sample of the kind of thing you immediately run into whenever you start to plan on allocating critical materials so as to keep small business firms from going under. And the first point I am trying to make is that the size of the company, by itself, cannot be the sole criterion. In other words, we must remember the old adage about the greatest good for the greatest number of people. Observing that adage in the face of shortages such as we now face is a very complicated task.

Division among industries

Let's use copper as an illustration once more. Suppose you propose to allocate an insufficient supply of copper among all nondefense industries. Let's say that you have just half enough copper to meet all civilian demands.

You can't start out by saying that all industries must take a flat 50 percent cut. That would allocate the copper, all right, but it would also wreck the country. For there are some industries to which you may actually have to give more copper, rather than less. The defense program won't work if our transportation system can't operate on a higher-than-normal level; it won't work if the electric power industry isn't expanded; it is going to make more telephone and telegraph lines necessary; it is, in short, going to call for an expansion, not a reduction, in a number of lines of civilian activity.

But if these key industries have to get their normal quantity of copper or better, some other industries are going to be forced to take a reduction much greater than 50 percent. You'll have to cut some
The many determining factors

Which means that you have to go down the line, industry by industry, and take a great many factors into consideration. You study a given industry to see how much of each variety of raw material it uses. You must learn the relative scarcity of each of these materials. You must find the number of man-hours worked in the industry, and you must study the figures to see how many man-hours are worked for each weighted unit of critical materials; in other words, does the industry use much or little material in proportion to the amount of employment it provides? That’s our old question of the 1 factory with 20 workers versus the 10 factories with 500 workers, you see.

Then there is the industry’s product to consider. Is it an absolute necessity—something we can’t whistle down even in a dire emergency? Is it a necessity, but a necessity whose use can be curtailed without too great loss? Is it something that is desirable but hardly essential? Is it purely a luxury? Is it something we actually might be better off without? Is there a scarcity of this particular product? Does this product replace some other product which uses larger quantities of critical materials? Is it made of some of the materials of which there is a surplus?

Division among communities

You must have the answers to all of these questions before you can decide how much, if any, a given industry should be curtailed. And when you have made that determination you still have the problem of curtailing operations within the industry. If you are curtailing the industry as a whole by 50 percent, does that mean that each individual factory within the industry should be curtailed by 50 percent? That may sound like the fairest way, offhand—until you stop to examine it. Suppose you have 2 factories in the same industry, each employing 2,000 men. One is in a large city where there are many factories busy on defense work; the other is in a very small city, and is the only industry of any consequence which that city has. If you curtail the big city factory by 50 percent, the displaced workers will soon be absorbed by the nearby defense plants and the city will not have suffered much. If you curtail the small city factory by 50 percent, however, you practically wreck the town and the jobless workers may have to travel far and look long before they find new jobs. Clearly, therefore, you may not find it advisable to curtail every plant within an industry to the same extent. You must continue to bear in mind that adage about the greatest good for the greatest number.

Given size limit unworkable

More than 2 months ago Donald M. Nelson called me to Washington and asked me to see if we could work out a plan whereby we should simply allocate a certain portion of all of the critical materials to build up a pool, out of which we could make pro rata allotments to all small manufacturing firms which come under a given size limit. I have been working on that assignment ever since—and it just can’t be done.

It would be a good way to meet this situation, if it would only work; but it won’t work.

In the first place, we don’t have the materials. There are over 130,000 manufacturing establishments in the country. Probably upwards of 100,000 of them could properly be classed as small plants—and by “small” I mean plants that have around a score of employees, or fewer. Now each one of these plants might need only a comparatively small quantity of materials; but in the aggregate the amount required to keep all of them going would be tremendous. These shortages, to repeat, are very, very acute; with the best will in the world we cannot promise that everybody will be taken care of. We are going to have to be selective. And in being selective we cannot simply make the size of the plant the sole consideration. After all, the worker who loses his job because his plant closes will be in just as bad a fix if he is one of 20 employees as he will if he is one of 15; the capital of the factory owner will evaporate just as surely if the plant that gets closed employs 100 men as it will if the plant employs only a dozen. You cannot draw a horizontal line anywhere through our economy and guarantee that you will save everybody under it. The best you can do is determine that in making allocations and in making curtailments you will be guided by the ruling motive that the greatest possible number of people must be employed and the smallest possible number of businesses injured. That motive is being and will be followed in the handling of this whole allocation and curtailment program. I promise you that; and I promise you it will be followed faithfully and energetically.

Now there is another angle to this problem that deserves consideration. I think that the manufacturer, be he large or small, does neither himself nor his country any service whatever if he assumes that his only hope of escape from these shortages is through Government help.

There are two big factors in the manufacturer’s favor.

First is the fact that our defense requirements are becoming so huge that before we get through we are going to need the services of every shop and factory that can possibly turn out military items.

A chance to make essential civilian goods

The second favorable factor is the pressure of increased civilian buying power. That pressure, of course, is what is causing these shortages; and because of these shortages we have got to strip our productive machinery down to essentials, cut out the frills, stop making gadgets, and in general confine ourselves to the production of the things the Nation really needs. But the point I am trying to make is that it may be just as important for the man who is producing less essential goods to convert his plant to the production of essential goods, or goods that do not use critical materials, as it is to convert to the production of military goods. The man who can make such a shift most certainly increases his own chance of survival.

Treasury booklet tells how to do business with Government

A booklet designed to supply information to manufacturers and dealers on procedures necessary to establish and maintain business relations with the Procurement Division of the Treasury Department was issued by that agency last week.

Entitled “Doing Business with the Procurement Division,” the booklet answers many inquiries which are being received. Included is a synopsis of laws affecting Federal procurement, an explanation of the Division’s functions and how to get on its bidder’s list, addresses of the State Procurement Offices and descriptions of the types of purchasing in which the Division is engaged. Features of the invitation to bid are discussed, as are types of bids and performance bonds, inspection, awards, protest and instructions for receiving prompt payment for goods sold.

Copies of the booklet are available without charge from the Procurement Division at Washington, D.C.
PURCHASES...

Defense spending runs ahead of 1917-18; production per dollar probably is higher

A comparison of the present industrial defense effort with that of the United States during 1917 and 1918 was made public November 24 by the Bureau of Research and Statistics, OPM.

The study shows:

1. Disbursements for industrial activity month by month are running at a higher level today than in World War I.

2. Due to a lower price level today, the country probably is getting more for its money for every dollar spent than in 1917 and 1918.

3. Because of increased industrial efficiency through technical advances and billions of dollars of additional investment, the productive capacity of each workman has been vastly increased.

To arrive at an approximate figure for industrial disbursements for defense in the current effort, OPM economists took monthly totals of disbursements paid on defense contracts and added payments made by foreign governments for war materials produced in the United States. The disbursements for World War I were estimated on data which give a comparative picture.

Commodity price index now 78

In order to compare expenditures for military purposes, money paid out for food shipments to the Allies in 1917-18 was deducted from total expenditures in the first period. The amounts spent for food under the Lend-Lease Act are only a small part of total disbursements, hence they have not been deducted.

The disbursement figures used in this study were not corrected for differences in prices of 22 years ago and now. The Bureau of Labor Statistics index of prices on all commodities at wholesale stood at 114 in April 1917 and 78 in July 1940 (1926 equals 100); hence it is assumed that a given dollar volume of disbursements probably represented a smaller physical volume of production at 1917 prices than at 1940 prices.

The study also takes account of the fact that in April 1917 the war effort had been going on for almost 3 years and the Allies had been making substantial purchases of munitions and other materials in the United States for about 2 years. Under the stimulus of these purchases munitions production capacity had been built up, and when we finally declared war on Germany considerable plants and experience were available.

It was also pointed out that in May 1918, 14 months after the beginning of all-out effort, military disbursements less pay and subsistence of the armed forces, were $1,019,000,000, or at the rate of 20 percent of the estimated national income of $59,700,000,000 for 1918. In August 1941, also the fourteenth month of all-out defense effort, similar disbursements were at the rate of $1,075,000,000, or approximately 15 percent of the estimated present rate of national income.

Tremendous advances in industrial efficiency have been made since 1917-18, it is noted. Over-all industrial efficiency can be measured roughly by output per man-hour—the quantity of goods one man can produce in 1 hour. Economists have constructed index figures designed to show relative output per man-hour of American industry. These computations indicate an increase in the output of the average industrial worker of about 135 percent between the period of World War I and World War II.

The galley means that the average industrial worker with today's equipment can turn out two and one-third times as much as he could 23 years ago.

$60,047,676 War Department contracts

Defense contracts totaling $60,047,676 and one letter of intent totaling $525,000, were awarded by the War Department and cleared by the Division of Purchases, Office of Production Management, during the period November 13 through November 19. This compares with a total of $51,663,888 for the previous week.

EQUIPMENT AND SUPPLIES

Windsor Co., Windsor, Conn. (Mill: Cannon Mills, Kalamazoo, N. C.); 2,003,180 bath towels; $617,282.

American Woolen Co., New York, N. Y.; 4,000,000 yds. olive drab flannel shirting; $1,876,000.

Lorraine Mfg. Co., Pawtucket, R. I.; 450,000 yds. olive drab flannel shirting; $849,000.

American Woolen Co., New York, N. Y.; 2,896,000 yds. olive drab, dark shade, serge cloth; $6,010,000.

Livingston Worsted Mills, Holyoke, Mass. 200,000 yds. olive drab, dark shade, serge cloth; $6,012,159.


American Woolen Co., New York, N. Y.; 1,004,000 yds. olive drab, light shade, serge cloth; $5,018,878.

Botany Worsted Mills, Panama, N. J.; 2,000,000 yds. olive drab, light shade, serge cloth; $6,010,000.

Metcalf Bros. & Co., New York, N. Y. (Mill: Wansuk Mill, Providence, R. I.; Mohogan Mill, Ransonville, R. I.; Oakland Worsted, Oakland, R. I.); 400,000 yds. olive drab, light shade, serge cloth; $1,286,000.

Gers Mills, New Jersey Worsted Mills, Newark, N. J. (Mill: Passaic, N. J.); 235,000 yds. olive drab, light shade, serge cloth; $704,360.

American Woolen Co., New York, N. Y.; 638,000 yds. olive drab wool lining cloth; $1,003,394.

Barney Cheney Engineering Co., Columbus, Ohio; impregnated charcoal; $768,968.

General Motors Corporation, Chevrolet Division, Flint, Mich.; 1 1/2-ton trucks; $694,962.

International Harvester Co., Ft. Wayne, Ind.; 2 1/2-ton trucks; $744,844.

CONSTRUCTION

La Sala Mason Corporation, New York, N. Y.; 1942 rehabilitation program (18 buildings), Picatinny Arsenal, N. J.; $529,000.


The Houde Engineering Corporation, Buffalo, N. Y.; acquisition and installation of additional machinery and equipment for the manufacture of aircraft parts; $731,000. (Defense Plant Corporation agreement of lease).


AIRCRAFT

Reynolds Metals Co., Louisville, Ky.; aluminum foil, rod sheets, tape, tubing, etc.; $988,200.

Bell Aircraft Corporation, Buffalo, N. Y.; parts for airplanes; $1,528,943.

Fairchild Aviation Corporation, Jamaica, L. I., N. Y.; aircraft cameras, cone assemblies, etc.; $1,519,597.

Bendix Aviation Corporation, Eclipe Aviation Division, Bendix, N. J.; starter assemblies; $2,434,785.

Jack & Heintz, Inc., Cleveland, Ohio; automatic pilot assemblies; $4,532,650.

Churchill-Wright Corporation, Cincinnati, Ohio; Curtiss Propeller Division, Caldwell, N. J.; propeller assemblies and controls; $656,896.

Curtiss-Wright Corporation, Buffalo, N. Y.; parts for airplanes; $601,220.

Goodyear Tire & Rubber Co., Inc., Akron, Ohio; life rafts; $798,294.

LETTER OF INTENT

Air Force

War Supplies, Ltd., Washington, D. C.; propeller blades; $523,000.
Two hundred and forty-eight projects for defense industrial plant expansions were approved by Government agencies during September. The estimated cost totals $535,000,000, the Bureau of Research and Statistics, OPM, reported November 17.

Of this amount, $443,000,000 were public funds committed for 53 projects—52 United States Government financed and one financed by a foreign government. Private financing, as measured by certificates of necessity approved, covered $52,000,000.

3,004 approved through September

This brings to 3,004 the total number of defense industrial projects approved from June 1940 to the end of September 1941. Their total estimated cost is $5,260,463,000. Commitments of public funds on 628 projects—568 United States Government financed and foreign government commitments—amounted to $4,266,707,000, or 81 percent of the total estimated cost. The estimated cost of 2,376 privately financed projects is $993,756,000.

The tables on this page break down these figures by type of product for which the plants are being built, by source of funds, and by States.

<table>
<thead>
<tr>
<th>Type of product</th>
<th>Total</th>
<th>Public</th>
<th>Private</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of plant expansions</td>
<td>Estimated cost</td>
<td>Number of plant expansions</td>
<td>Estimated cost</td>
</tr>
<tr>
<td>Total</td>
<td>3,004</td>
<td>$5,260,463</td>
<td>628</td>
</tr>
<tr>
<td><strong>Chemicals (including explosives)</strong></td>
<td>105</td>
<td>577,737</td>
<td>28</td>
</tr>
<tr>
<td><strong>Producers of petroleum and coal</strong></td>
<td>94</td>
<td>450,445</td>
<td>17</td>
</tr>
<tr>
<td><strong>Iron and steel products</strong></td>
<td>430</td>
<td>2,713,246</td>
<td>70</td>
</tr>
<tr>
<td><strong>Ammunition, shells, bombs, etc.</strong></td>
<td>260</td>
<td>1,813,773</td>
<td>46</td>
</tr>
<tr>
<td><strong>Gun</strong></td>
<td>145</td>
<td>914,801</td>
<td>27</td>
</tr>
<tr>
<td><strong>Aircraft</strong></td>
<td>430</td>
<td>2,661,296</td>
<td>70</td>
</tr>
<tr>
<td><strong>Ships and ship repair</strong></td>
<td>130</td>
<td>511,946</td>
<td>27</td>
</tr>
<tr>
<td><strong>Nonferrous metals and products</strong></td>
<td>134</td>
<td>461,405</td>
<td>31</td>
</tr>
<tr>
<td><strong>Machinery (except electrical)</strong></td>
<td>363</td>
<td>2,101,450</td>
<td>40</td>
</tr>
<tr>
<td><strong>Electrical equipment</strong></td>
<td>140</td>
<td>493,534</td>
<td>25</td>
</tr>
<tr>
<td><strong>Miscellaneous manufacturing</strong></td>
<td>323</td>
<td>1,662,782</td>
<td>40</td>
</tr>
</tbody>
</table>

1 Includes facilities estimated to cost more than $20,000 which are direct obligations of the War and Navy Departments (excluding financing through Government supply and emergency plant facility contracts). Maritime Commission, Defense Plant Corporation, British Government, and loans of the Reconstruction Finance Corporation.

2 As reflected by certificates of necessity approved. Excludes pilot and mechaneic training.

3 Revised.

**Health supplies and safety equipment branches created**

Douglas C. MacKie, director of Purchases, announced November 19 the creation of two new industrial branches in the Division of Purchases. The branches were created by splitting the health supplies and fire equipment branch, whose responsibilities had become both too diverse and too extensive to be grouped in one branch.

The new health supplies branch will have jurisdiction over drugs, medicines, surgical supplies, dental supplies, hospital supplies, toilet goods, and surgical appliance, the chief of this branch is William M. Bristol, Jr., assistant director of purchases, who has come to OPM on leave of absence from the Bristol-Myers Co. of Hillside, N. J., drug manufacturing firm of which he is vice president.

The other new branch is the safety and technical equipment branch. Under its jurisdiction will be all motorized fire equipment, fire extinguishers, fire hose, and fire-hose couplings, sprinkler systems and a variety of safety and technical equipment. Chief of this branch will be Oakley W. Dexter, of San Francisco, purchasing agent for the Crown-Zellerbach Paper Co. of San Francisco. Mr. Dexter will assume his new duties shortly with the title of assistant director of purchases.

Chief of the old Health Supplies and Fire Equipment Branch was W. Emmet Bittner, assistant director of purchases, who has been on leave as purchasing agent for the Diamond and Alkali Corporation of Pittsburgh. The heavy amount of defense work undertaken by this corporation has made it necessary for Mr. Bittner to return to the corporation's service.
TRANSPORTATION...

64,680 new freight cars installed by railroads in first 10 months of 1941

Class 1 railroads installed 64,680 new freight cars in service in the first 10 months of 1941, according to reports made to Ralph Budd, transportation commissioner, by the Association of American Railroads. While this performance exceeded the 54,781 new cars installed in the corresponding period of 1940, the number would have been considerably greater if shortages of materials had not caused a lag in the car-building program.

Of the new freight cars installed in the 10 months period this year, 34,128 were box, 26,412 coal, 1,563 flat, 1,853 refrigerator, 123 stock, and 581 miscellaneous cars.

Public merchandise warehouses

79.5 percent occupied October 1

Harry D. Crooks, consultant on merchandise warehousing, has reported to Transportation Commissioner Budd that on October 1 the Bureau of the Census found vacant space in public merchandise warehouses as reported monthly to the Bureau to be 7,000,000 square feet or 20.5 percent of the occupiable space. This compares with 20.1 percent September 1.

The 387 warehousing firms cooperating in this survey reported space conditions as follows: Total gross space computed from outside building measurements, 65,230,759 square feet; gross space intended for purposes other than public warehousing of general merchandise, 26,680,316 square feet were reported as occupied.

Following is a regional comparison of percentages of occupancy for October 1, 1941, September 1, 1941, and October 1940.

<table>
<thead>
<tr>
<th>Region</th>
<th>Oct. 1, 1941</th>
<th>Sept. 1, 1941</th>
<th>Oct. 1, 1940</th>
</tr>
</thead>
<tbody>
<tr>
<td>New England</td>
<td>67</td>
<td>69.1</td>
<td>52.6</td>
</tr>
<tr>
<td>Middle Atlantic</td>
<td>83.8</td>
<td>85.8</td>
<td>74.6</td>
</tr>
<tr>
<td>East North Central</td>
<td>87.8</td>
<td>87.4</td>
<td>77.6</td>
</tr>
<tr>
<td>West North Central</td>
<td>71.7</td>
<td>70.5</td>
<td>65.5</td>
</tr>
<tr>
<td>South Atlantic</td>
<td>73.9</td>
<td>79.8</td>
<td>78.5</td>
</tr>
<tr>
<td>North Central</td>
<td>72.2</td>
<td>66.1</td>
<td>71.8</td>
</tr>
<tr>
<td>Mountain and Pacific</td>
<td>76.7</td>
<td>79.3</td>
<td>75.8</td>
</tr>
</tbody>
</table>

A very high occupancy is shown for the following localities: Detroit, 94.3 percent; Chicago, 92.8 percent.

New York City and nearby New Jersey report approximately 2,500,000 square feet of vacant space or an occupancy of approximately 85.5 percent. Storage demand for both Government and industry continues to concentrate in the territory east of the Mississippi, south of the Great Lakes, north of the Mason and Dixon Line and east to the Atlantic.

Railroads carry 200,000 service men in October

Approximately 200,000 members of the Nation's armed forces were moved by rail during October, according to reports made to Ralph Budd, Transportation Commissioner, by the Association of American Railroads. This brings the number of service men carried by the railroads in the first 10 months of this year up to a total of 2,227,168.

378 special trains

The October rail movement of the Army, Navy, and Marine Corps was handled by transporting 98,483 men on 378 special trains and 100,856 on regular trains. There was no movement of the Civilian Conservation Corps personnel during the month, it was said.

Thousands of furloughed service men traveled on the railroads in October, but these are not included in the announced figures.

CARLOADINGS INCREASE

Total revenue freight carloadings for the week ended November 15 totaled 883,839 cars, an increase of 18.6 percent over the corresponding week in 1940 when loadings totaled 745,295 cars, and an increase of 10.254 cars over the preceding week in 1941 when loadings totaled 873,585.

This increase followed a seasonal decline of several weeks. Carloadings in the week ended November 8 were 21,000 fewer than in the previous 7-day period.

The details follow:

CARLOADINGS—WEEK ENDED NOVEMBER 15

<table>
<thead>
<tr>
<th>Description</th>
<th>1941</th>
<th>1940</th>
<th>Percent increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grains and grain products</td>
<td>40,297</td>
<td>34,527</td>
<td>15.3</td>
</tr>
<tr>
<td>Livestock</td>
<td>15,741</td>
<td>15,651</td>
<td>0.6</td>
</tr>
<tr>
<td>Coal</td>
<td>308,274</td>
<td>148,452</td>
<td>108.4</td>
</tr>
<tr>
<td>Coke</td>
<td>12,005</td>
<td>11,927</td>
<td>0.7</td>
</tr>
<tr>
<td>Forest products</td>
<td>43,207</td>
<td>35,144</td>
<td>23.2</td>
</tr>
<tr>
<td>Ore</td>
<td>12,784</td>
<td>9,744</td>
<td>31.7</td>
</tr>
<tr>
<td>Merchandise I. e. f.</td>
<td>356,278</td>
<td>150,273</td>
<td>136.8</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>385,240</td>
<td>313,114</td>
<td>22.8</td>
</tr>
<tr>
<td>Total</td>
<td>923,839</td>
<td>745,295</td>
<td>23.9</td>
</tr>
<tr>
<td>Cumulative (46 weeks)</td>
<td>37,073,226</td>
<td>32,177,926</td>
<td>15.8</td>
</tr>
</tbody>
</table>

1 Decrease.

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.
President authorizes OPM to requisition property it deems necessary to defense

President Roosevelt last week authorized the Office of Production Management, within the framework of two acts of Congress, to requisition property it deems necessary to national defense. The Executive order follows:

EXECUTIVE ORDER

Providing for the Administration of the Requisitioning of Property Required for National Defense

By virtue of the authority vested in me by the Constitution and the statutes of the United States, and particularly by the Act of October 10, 1940, entitled "An Act to Authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," and the Act of October 16, 1941, entitled "An Act to authorize the President of the United States to requisition property required for the defense of the United States" (hereinafter referred to as the Acts), and in order to provide for the effective administration of the requisitioning of property required for the defense of the United States, it is hereby ordered:

1. The Office of Production Management, in addition to the responsibilities and duties described in Executive Order No. 8629 of January 7, 1941, and Executive Order No. 8775 of August 28, 1941, shall, except as may otherwise be provided hereinafter, exercise the powers and authorities conferred upon the President by the Acts.

2. Whenever the Office of Production Management determines, in accordance with the provisions of the Acts, the necessity for requisitioning property, that Office may:
   a. requisition and dispose of such property on its own account; or
   b. provide for the requisitioning and disposition of such property through the Department of War, the Department of the Navy, or any other department or agency of the Government authorized to engage in the procurement of property of the type subject to requisition under the Acts.

3. Whenever requested by the Office of Production Management, any department or agency of the Government is hereby authorized to requisition and dispose of property in accordance with the provisions of the Acts and to make available to the Office of Production Management such personnel, including officers of the armed services, as may be necessary to enable that Office to carry out its functions under this Order. The United States Marshals are also hereby authorized and directed, when requested by, and in accordance with directions of the Office of Production Management or the head of any department or agency of the Government authorized to requisition property pursuant to this Order, to requisition and dispose of property.

Determining factors

4. The Secretary of the Treasury, the Secretary of War, the Secretary of the Navy, the Secretary of Agriculture, the Chairman of the United States Maritime Commission, the Executive Director of the Economic Defense Board, or the head of such other agency as the President may from time to time designate, may initiate action for the requisitioning of property by submitting proposals for the requisitioning and disposal of such property to the Office of Production Management, whenever he determines that:
   a. such property is of the type which may be requisitioned under either of the Acts;
   b. with respect to proposals for requisitioning property under the Act of October 16, 1941:
      (1) the use of such property is needed for the defense of the United States,
      (2) such need is immediate and impending and such as will not admit of delay or resort to any other source of supply,
      (3) all other means of obtaining the use of such property for the defense of the United States upon fair and reasonable terms have been exhausted.
   (4) if the property to be requisitioned is machinery or equipment, such machinery or equipment is not in actual use in connection with any operating factory or business or is not necessary to the operation of such factory or business, and
   (5) the property to be requisitioned is not a firearm possessed by an individual for his personal protection or sport, the possession of which is not prohibited by existing law;
   c. With respect to proposals to requisition property under the Act of October 10, 1940, there exists a necessity for requisitioning the property in accordance with the provisions of section 1 of the Act.

"Fair and just compensation"

The head of any department or agency acting pursuant to the provisions of this paragraph shall be authorized to requisition and dispose of such property, provided that the Office of Production Management determines that the proposed requisitioning and disposal of such property is consistent with the priorities and allocations program and the general production and supply plan of the Office of Production Management.

5. The Office of Production Management or the head of any department or agency which requisitions property pursuant to this Order shall determine the amount of the fair and just compensation to be paid for any property requisitioned pursuant to the Acts, and the fair value of any property returned in accordance with section 2 of the Act of October 16, 1941.

SPAB to guide policies

6. The Supply Priorities and Allocations Board is authorized to establish policies to govern the Office of Production Management and the several requisitioning agencies in exercising the authorities and performing the functions vested in them by this Order, and to issue such rules and regulations as may be necessary or proper to carry out the provisions of this Order.

7. The head of any department or agency of the Government authorized to requisition property pursuant to this Order may, subject to regulations promulgated by the Supply Priorities and Allocations Board, require and compel a disclosure of information under section 4 of the Act of October 16, 1941.

8. The Office of Production Management shall from time to time, but not less frequently than once every three months, transmit to the President a report of operations under this Order.

9. All Executive Orders or regulations, or any parts thereof, heretofore issued under the Act of October 10, 1940, are hereby rescinded insofar as they are inconsistent with the provisions of this Order.

10. This Order shall not affect the authority of the United States Maritime Commission with respect to the requisitioning and disposal of vessels under the terms of section 902 of the Merchant Marine Act, 1936, as amended, or by virtue of Executive Order No. 8771 of June 8, 1941, and Executive Order No. 8891 of September 2, 1941, issued pursuant to Public Law 101, 77th Congress, approved June 6, 1941.
AGRICULTURE...

Nation-wide farm organization formed for post-defense planning

The Department of Agriculture announced last week the establishment of a Nation-wide organization of farmers and Department workers to make plans for a program for agriculture in the post-war period.

A Department Committee on Post-Defense Planning and nine regional committees were named by Secretary of Agriculture Wickard, to draft a broad agricultural plan for "a post-war world in which we will make full use of our manpower and our resources for the benefit of the American people." The Washington committee is headed by Roy J. Kimmel, of the Bureau of Agricultural Economics, and includes representatives of all the major agencies in the Department.

Wickard repudiates pessimism

These committees will work in cooperation with the State agricultural colleges and the State and county agricultural planning committees, which include 122,000 farm men and women in nearly 1,900 counties.

In a memorandum setting up the new planning organization, Secretary Wickard said that "in some quarters there is a fear that a severe economic depression is inevitable when the defense effort ceases."

"The Department of Agriculture does not share this pessimism," he said. "We believe the country need never go through a major economic depression again. We believe it is possible to maintain a national income greater than ever before in the history of the Nation.

"As the work takes shape in the field, it will be brought together and integrated on a national basis," he said. "I hope that within the next year we will have a number of carefully prepared plans for public activity, which will fit the needs of each region in terms of employment, conservation of our resources, and for improved levels of rural living."

To work with other agencies

The post-defense planning activities of the Department will be closely coordinated with similar work in other fields being done by the National Resources Planning Board, the Public Work Reserve, the Federal Security Agency, and other Government agencies. Department of Agriculture officials responsible for this work also expect to cooperate with farm organizations, industrial groups, and other nongovernmental organizations interested in post-defense planning.

Farm machinery and equipment advisory committee named

The Bureau of Industry Advisory Committees of the OPM announced November 17 the formation of the farm machinery and equipment industry advisory committee.

Committee members are:


50,000 submarginal acres transferred to War Department for defense training use

More than 50,000 acres of submarginal land purchased in connection with the Federal land utilization program has been transferred by the Soil Conservation Service to the War Department for use in the national defense training program, the Department of Agriculture announced.

Munitions plant on Illinois land

Some of the transfers will be permanent while others will be for the duration of the emergency. The largest single tract transferred permanently so far by the Service is an 11,000-acre area in the Crab Orchard land utilization project in Williamson and Jackson Counties, Ill. The War Department will construct a munitions plant on this area.

Tracts transferred for the duration of the emergency include 9 thousand acres in Lanier and Lowndes Counties, Ga., and five 600-acre sites in northern Louisiana.

Military reservations on many tracts

Tracts which have been transferred permanently to the War Department include 6,000 acres in Clinton County, N. Y., an extension of the Plattsburgh military reservation; 7,500 acres in Jefferson County, N. Y., an addition to the Pine Camp military reservation; 9,500 acres in Monroe County, Wis., for the Camp McCoy military reservation; and 1,000 acres in Muskogee County, Okla., which is being used for a rifle range.

Land utilization project areas in the Southern States were made available to the War Department during recent army maneuvers. Soldiers of both the Red and Blue armies camped on some of the project lands, and after the maneuvers, recreational facilities were turned over to the soldiers while they rested preparatory to returning to base camps.

MORE SHIPS ADDED TO TRAIN SEAMEN

In order to meet the ever-increasing demand for capable seamen, the United States Maritime Commission last week announced plans for the addition of four ships to its existing six-ship training fleet. The intensified training program is designed to produce more than 15,000 trained seamen in 1942 and 1943. These men are being trained to fill skilled positions in the deck, engine, and steward's departments.
Fertilizer material prices of World War I unnecessary now, says OPA official

In an address before the National Fertilizer Association in Atlanta, November 19, T. E. Milliman, chief, agricultural chemicals unit, food and food products section, OPA, declared: "The price levels at which fertilizer and fertilizer materials moved to the farms during the spring and fall of 1941 were within the reach of most classes of farmers. • • • The Office of Price Administration is alert to the actions of that small portion of the fertilizer trade that seeks to capitalize for its own benefit on speculative opportunities occasioned by the confusion, stresses, and strains of our great Democracy arming itself for its preservation. The runaway markets of the first world war, in nitrogen materials, in potash, and even in superphosphate, are unnecessary now."

Further excerpts:
There is no part of the fertilizer industry unaffected by the war. This fertilizer industry is concerned with Government not only on the availability and prices of materials and prices of complete fertilizer, the mixed-goods industry has been accustomed over a long period of time to a normal situation of the fertilizer trade that seeks to capitalize for its own benefit on speculative opportunities occasioned by the confusion, stresses, and strains of our great Democracy arming itself for its preservation. The runaway markets of the first world war, in nitrogen materials, in potash, and even in superphosphate, are unnecessary now.

Have not kept pace with technology
In the light of today's need for full use of the Nation's manpower, equipment and supplies, we can face an old, old problem—that of inert fillers—from a new vantage point. This problem is still with us in 1942 because the habits and customs of farmers, fertilizer agencies and the mixing industry itself have not kept pace with the technical advances of the nitrogen, superphosphate and potash industries in producing materials of higher plantfood concentration.

As a result, we are using measurable amounts of labor, equipment, plant space, power, transportation and packages which could be saved for other vital national uses.

Educational efforts needed
How may this situation be corrected? It is a knnow fact that farmers will apply more plantfood when it is of medium concentration and at lower cost per unit. To bring agriculture and the selling habits of an industry up to the level of the technology of that industry is no simple task. Nor is it one which fertilizer manufacturers alone can handle. Clear-cut educational material, designed for use among farmers, local dealers and agents, and among fertilizer salesmen, is definitely required.

To develop and operate an educational campaign of this magnitude requires the combined resources of the U. S. D. A., State colleges and the experiment stations, county agricultural agents, high school and secondary teachers of agriculture, big and little fertilizer companies, the Office of Production Management and the Office of Price Administration.

In the industry are many manufacturers of complete fertilizer who genuinely desire to have useless and inert fillers completely eliminated. Others, including a few small mixers who by virtue of location can make freight and labor savings on inert filler material, are content with the status quo. The Government plans to request the industry's consulting committee to constructively analyze these opportunities at an early date. If our combined efforts take hold, one of our problems of 1942, something that could be to urge farmers to reduce applications to crops in plentiful supply and on which medium grades of fertilizer are being substituted for low grades, while at the same time urging them to fertilize more heavily the vital food crops of national need. Proper educational efforts should go far toward solving this problem.

If our national need for everything useful grows greater, it may become necessary for some type of National Government action to be taken against the use of inert fillers. In the event that such action becomes necessary, the Government will expect the advice and counsel of the industry on the most effective ways and means of procedure.

What price fertilizer?
The price levels at which fertilizer and fertilizer materials moved to the farms during the spring and fall of 1941 were within the reach of most classes of farmers. Moving back from the farms to the local dealers or agents, we find that, for the most part, normal retail margins prevailed. There was little or no profiteering here.

Moving back further, from the dealer to the factory, the price situation that prevailed allows the statement that here, too, normal margins for production, overhead, and selling costs were the rule. Moving all the way back to the essential materials, we find that prices of nitrogen and potash were reasonable. And mixers who do not produce superphosphate were able to buy from their larger competitors within limits which permitted free competition with acidulators, who also sell complete fertilizer. This situation should continue to prevail.

I wish here to express appreciation to steel and coke producers and to handlers of sulphate of ammonia, who have continued to maintain the $28 and $29 prices requested by Administrator Henderson in his letter of May 22nd. This product is the largest single source of fertilizer nitrogen and is produced by many companies.

The general adherence to the $28 and $29 prices requested by Administrator Henderson, and to the $30 price for spot goods, makes more conspicuous the few—chiefly resellers of various kinds—who have obtained, or who attempted to obtain, higher prices reaching up as far as $40 or $45 for bagged goods at ports. The Office of Price Administration is alert to the actions of that small portion of the fertilizer trade that seeks to capitalize for its own benefit on speculative opportunities occasioned by the confusion, stresses, and strains of our great Democracy arming itself for its preservation. The runaway markets of the first world war, in nitrogen materials, in potash, and even in superphosphate, are unnecessary now.

Maximum service at moderate cost
As converters of other people's commodities and merchandisers of complete fertilizer, the mixed-goods industry has been accustomed over a long period of years to operate on a close, and at times nonexistent, margin of profit. The whole order of the mixed-fertilizer industry, including a scaling down of sales costs in general, has been geared to render maximum service at moderate cost.

As the industry turns now toward 1942, with materials at moderate prices, either in hand or flowing, a sudden hallucination that a great profit opportunity has arrived would be decidedly out of focus. More concern is being given by Government on prices of materials than upon prices of complete fertilizer. The movement of mixed fertilizer from factory to farm has been much more highly competitive than the movement of nitrogen materials, superphosphate, and potash to the fertilizer factory. The scramble for farmers' business is generally severe, and for many years competition has been the best determinator of mixed-goods prices.

With materials not in liberal but in adequate supply for the mixers, I have no doubt that the accustomed situation will again prevail.
INTER-AMERICAN AFFAIRS . . .

Shipping, trade, education among recent concerns of Rockefeller office

Varied and far-reaching activities, merging into the broad program of the United States Government for the friendship, security, and economic welfare of the American republics, were described last week by the Office of the Coordinator of Inter-American Affairs, in a review of operations.

The task of Coordinator Nelson A. Rockefeller and his staff is to coordinate the activities of public and private agencies which seek the improvement of Inter-American relations within the general policy of solidarity and understanding.

Uses existing personnel where possible

Recently, shipping, trade development, industrial education, and radio communication facilities have been among topics given special attention. From all the American republics and many sections of the United States have come proposals, requests, and offers of cooperation which suggest a growing spirit of Continental fraternity.

The Office of the Coordinator seeks to use existing facilities and personnel, both public and private, in implementing the Good Neighbor policy. The Office itself administers projects when there is no organization or agency to carry out the proposed work.

The work of the office is divided into four broad classifications—financial and commercial development; cultural interchange; communications; and social and civic welfare.

Advice on merchandising

Besides his service as Coordinator, Mr. Rockefeller is chairman of the Inter-American Development Commission, created by the Inter-American Economic and Financial Advisory Committee. That committee was established by recommendation of the Panama Conference, held in 1929. The Inter-American Development Commission has been studying means to develop further the resources of the other American republics and expand commerce of noncompetitive products. The Commission is appointing in each country a local commission composed of businessmen, financiers, and government officials to survey opportunities for development of new agricultural and industrial enterprises in their republics. Eighteen national commissions have already been established.

The Inter-American Development Commission has established a Merchandising Advisory Service in New York City to provide advice and assistance to producers of consumer's goods in the other American republics for sale here. The Service also assists United States buyers in finding new sources of supply in Central and South America, and encourages greater use of our retail goods in the other American republics.

The Office of the Coordinator, collaborating with the Departments of State and Commerce, has undertaken a program for the replacement of agents of United States firms and their distributors identified with anti-American activities in the other American republics. This work contributed toward the creation of the "Proclaimed List of Certain Blocked Nationals," in the preparation of which the Coordinator's Office participates.

Industrial scholarships set up

An Inter-American Industrial Scholarship program was recently inaugurated, in cooperation with banking, commerce, and industry to bring young men from the other American nations for a period of training in the United States.

The Office is represented on a number of committees relating to the other American republics. A representative of the Coordinator serves as a member of the Policy Committee at the Office of Export Control, the Clearance Committee in the Clearance Division of the Office of Export Control, and the Reviews and Appeal Committees in the Licensing Division of Export Control. The Coordinator serves with representatives of the Maritime Commission and the Departments of State and Navy on an Inter-American shipping committee.

A study of air transportation in the other American republics carried on by the Office of the Coordinator has resulted in the creation of the American Republics Aviation Division of the Defense Supplies Corporation, which is aiding in maintaining and expanding national air services.

A program for training pilots, mechanics, and engineers has been started in cooperation with the Civil Aeronautics Administration, the War Department, the Department of State, and the Federal Loan Agency. It is designed to aid all countries of the hemisphere in the expansion of nationally owned and operated commercial airlines.

Funds for agricultural surveys

Funds of the Office of the Coordinator have been allocated to the Department of Agriculture to be used for survey parties developing tropical agriculture and working out a program to relieve agricultural problems in certain of the republics. Fourteen such parties have been organized.

Among the cultural relations operations of the Office, the educational activities have been important. A program has been initiated greatly to expand the teaching in United States schools of subjects dealing with Central and South America, through the Education Committee of the Office of the Coordinator. The Committee is preparing, in collaboration with the United States Office of Education a list of teaching aids for distribution to teachers in the United States. The two agencies also are collaborating in sponsoring the preparation and distribution of 350 traveling exhibits of aids in the teaching of Central and South American subjects, including books, publications, and motion pictures, and radio programs. A broad program for interchange of scholars, students, and specialists has been inaugurated. One of these projects was the special school session held early in 1941 at the University of North Carolina for students of the other American republics, in cooperation with the American Council of Learned Societies.

Seeks to overcome language handicap

Through its work in publications, the Office of the Coordinator is attempting to overcome the language handicap which has prevented the literatures of the American republics from reaching one another. Postal rates on books mailed between the United States and the other American republics have been reduced, royalty difficulties ironed out, good translators found, and provision made for inexpensive editions of books for the republics to the south.

The office has arranged for the showing of contemporary United States paintings in a number of the principal cities of South and Central America. The sculptor Jo Davidson has been sent to South America to execute busts of the ten presidents of the South American
Three programs suggested to stimulate local interest in Inter-American Affairs

Three suggested programs designed to stimulate community interest in Inter-American cooperation have been prepared and distributed to civic groups and individuals, it was announced recently by the Office of the Coordinator of Inter-American Affairs.

These programs, which have been prepared by Mary N. Winslow, adviser for Civic Projects in the Office of the Coordinator, have been mailed to national women's organizations as well as to hundreds of groups and individuals, who have requested assistance in planning community programs.

Round table suggested
Program No. 1 is entitled “Community Action” and includes the following suggestions:
1. Organization of a round-table discussion to determine to what extent the community is interested and active in bringing about greater cooperation and understanding between the United States and the other American Republics; it is suggested that local leaders in all fields should be brought into the discussion;
2. Organization of a series of meetings to follow the round table, from which the following examples of community activities might develop: A permanent council or clearinghouse on inter-American cooperation, increased teaching of subjects dealing with the American Republics; emphasis on books in the library about the other Republics, and increased sales of products from our hemisphere neighbors.

Commercial products
Program No. 2 is entitled “Commercial Products of the Other American Republics” and suggests the organization of a series of meetings to discuss and examine the American products that can, or could, be purchased in the community. It is suggested that at each meeting there be a speaker to talk about the social and economic conditions of the individual country whose products are being discussed.

History and civilization
Program No. 3 is entitled “Study of History and Civilization of the Other American Republics.” The topics suggested include:
HEALTH AND WELFARE . . .
Expanded recreation aid for soldiers and workers reported from all over Nation

Communities throughout the United States are extending their facilities to provide recreation for men in uniform and workers in defense industry, according to reports reaching the Office of Defense Health and Welfare Services from its recreational field representatives.

Local groups and individuals are doing their part to strengthen the health and morale of the armed forces and industrial workers, by providing wholesome leisure-time activities.

The following are examples of a wide variety of community programs in all sections of the country.

WINDSOR LOCKS, CONN.

The community recreation committee invited some of the sergeants and enlisted men from the air base to attend a meeting. As a result, a program of objectives was worked out which included an increase in the number of stag parties and an emphasis on informal recreation rather than organized parties—the "drop-in-any-time" kind of hospitality.

FORT CUSTER, MICH.

When a hurry call for a poster painter to publicize a dance drew a hundred applicants among the service men at Fort Custer, Mich., the result was the organization of an art project for leisure time. A WPA arts and crafts instructor was put in charge and the Fort held an art show. Eighteen of the men were professional artists in civilian life. During the army maneuvers in Tennessee 20 of these men took field paint boxes and sketched the troops in action. They brought back a sheaf of true-to-life pictures of America's 1941 army.

NEW YORK CITY

The Associated Musicians of Greater New York, Local 802, and 11 cooperating unions, gave a dance and festival for 2,000 soldiers, sailors, marines, and coast-guardmen, under the sponsorship of the New York City defense recreation committee. The boys had as their dancing partners 2,000 girls from the choral lines of two motion-picture houses and four popular musical comedies, as well as America's outstanding exponents of popular music.

The cooperating unions furnished, among other things, 1,250 pounds of assorted cold cuts, 200 pounds of assorted cheeses, 1,400 loaves of bread, 12,000 bottles of Coco Cola, 5,000 bottles of assorted soft drinks, and 5,000 assorted pastries. One hundred waiters and one hundred counter men volunteered their services.

RICHMOND, VA.

The Richmond Defense Recreation Committee has organized special committees for special activities for defense workers in the ship-building yards. One committee sponsors athletic games; another interviews new families moving into Richmond, and a third studies the needs of preschool age children.

RAVENNA, OHIO

Workers in the Ordnance plant at Ravenna recently had a theater and dinner party. The Ravenna Ordnance Players gave a vaudeville performance in the new outdoor theater. After the show approximately 200 guests attended a chicken dinner. Dancing followed.

WILMINGTON, N. C.

Although the town of Wilmington, N. C. has a full-time program of hospitality for the men from Camp Davis and Camp Gibbons, residents were called upon to expand their activities to include approximately 2,000 men passing through on maneuvers. Five open dances were held. Showers were available in eight different centers. This extended hospitality had just got under way when the Naval training ship Empire State dropped anchor off Wilmington, and 200 sailors were added to the community. By that time the defense recreation committee decided that a few hundred more or less made very little difference. Everyone had a fine time.

During the maneuvers, motion picture houses in North and South Carolina were open on Sundays—at reduced prices, not during church hours, and as an emergency measure which they expect to terminate with the close of maneuvers.

BROWNWOOD, TEX.

Brownwood, Tex., is an example of what towns near camps are doing to welcome soldiers back from maneuvers. Dances were held in the WPA Memorial Hall Center, Army YMCA, NCCS Center, Episcopal Church Parish House, Hot Wells Swimming Pool, Lake Brownwood District Park, and two street dances with the girls registered at a central point and assigned to the various dances by a central committee. Music was furnished by orchestras from the various army bands. This celebration was a cooperative effort of all the agencies in the city. Merchants, newspapers, city, county, Federal agencies, USO, and private individuals entered into plans and worked diligently to put the program over and make the boys feel at home.

JACKSONVILLE, FLA.

A Negro center has been established on the grounds of an old Negro schoolhouse. Here a group of 70 colored volunteers furnish entertainment for the soldiers. In addition to providing partners for dances and games, they have worked up a repertoire of plays, musical numbers, and skits, which they perform at the center and in the Service Center at Camp Blanding.

FORT HUACHUCA, ARIZ.

A special train, arranged for by the local defense recreation committee, took 178 Negro soldiers from Fort Huachuca, most of them Ohio boys, to the USC—Ohio State football game in Los Angeles, Calif.

PORTLAND, OREG.

When the 41st Division passed through Portland, 4 days of entertainment were planned for these Oregon boys. They camped at Swan Island, where a huge barbecue was given. Twenty deer donated by the State Game Commission were barbecued by restaurateurs. Ten thousand cups of ice cream and carloads of fruit were taken to the camp. The Women's Corps put 76 cars at the service of the soldiers. The theaters recognized the uniform in lieu of tickets. A ball was given at the Masonic temple and a street dance in another part of town.

SAN FRANCISCO, CALIF.

The number served by Hospitality House, the service center for San Francisco, has exceeded 75,000 since its opening on August 9. Every day a different women's organization takes over the house, furnishing refreshments and
dancing partners. The men who attend can be counted in the hundreds each day. The house was built entirely free from cost by union labor with material furnished by the City of San Francisco.

CHURCH GROUPS OFFER HOSPITALITY

Church groups everywhere offer hospitality and recreation to the boys away from home.

The First Presbyterian Church of Watertown, N.Y., adopted the 31st Infantry at Pine Camp. This church entertained the soldiers as a group at their regular services and at church dinners. It also turned over its basketball court to the boys. Many of the church members invited the soldiers to their homes. In return the 31st entertained the church members at Pine Camp. They took them on a tour of the camp, had a special service in the chapel, and entertained them at Sunday dinner in the mess hall.

The Methodist Church of Wadesboro, N.C., raised $600 for the entertainment of soldiers during maneuvers. The pastor has reported with enthusiasm on the dividend which this investment has yielded the church.


Radio committee established

Sidney J. Weinberg, chief of the Bureau of Industry Advisory Committees of the OPM announced November 21 the formation of a radio industry advisory committee.


President determines need of 1,900 more defense homes

President Roosevelt determined November 22 that a need exists for 1,900 homes for families of industrial defense workers and enlisted personnel in five localities, upon recommendation of Defense Housing Coordinator Palmer.

In addition, the President approved provision of 100 temporary portable cottages in Hartford, Conn.

Permanent homes planned are as follows:

Mobile, Ala., 1410; Banana River, Florida locality, 160; Lakeland, Florida locality, 60; Trinidad, British West Indies, 60; Key West, Fla., 210.

SPORTS ARENAS FOR ARMY

Field houses in 37 Army camps covering all nine corps areas will furnish additional indoor recreation for soldiers during winter months, the War Department has announced.

These sports arenas, most of which will be completed by the end of November, will provide facilities for basketball, boxing, wrestling, volleyball, tennis, and badminton, as well as stage shows.
CIVILIAN DEFENSE . . .

OCD will lead Nation's observance of "Bill of Rights Day"—December 15

While Armies are engaged in the death struggle to determine whether the Democratic ideal or totalitarianism ultimately is to rule Europe, Asia, and the Orient, the American people are preparing to observe the 150th Anniversary of the Magna Charta of their liberties—the Bill of Rights.

The Office of Civilian Defense, at the request of Archibald MacLeish, Librarian of Congress, through State and local defense councils throughout the land, and with the collaboration of Government, State, and local agencies, will lead the Nation's observance of December 15—"Bill of Rights Day."

Many organizations will participate

Fraternal, civic, and social organizations of every description, organized labor of every affiliation, schools, libraries, and churches of all denominations will participate in ceremonies observing the anniversary of the document which established the historic freedoms which the American people have enjoyed for a century and a half.

As requested in a joint resolution of the Senate and the House of Representatives, President Roosevelt shortly will issue a proclamation fixing December 15 as the day upon which the whole Nation pays its respects to the source of its liberties.

President Roosevelt will address Nation

On the night of December 15, from 10 to 11 p.m., while local celebrations are in progress in States, towns, and villages across the country, President Roosevelt will address the Nation on the significance of the day which is being commemorated. The President's address will be carried over national hook-ups of all broadcasting systems and subsequently will be rebroadcast by short wave in all languages.

In schools throughout the United States there will be exhibits demonstrating the participation of the school in the observance of the anniversary.

Local demonstrations planned

Local demonstrations are to be under the auspices of the local defense councils and will indicate that the ceremonies in commemoration of the Freedoms guaranteed under the Bill of Rights could be achieved by the participating agencies only in a free society.

The Library of Congress is preparing a syllabus descriptive of the origin of the Bill of Rights, definitions of the liberties it guarantees and contrasting the position of the American people with those of the occupied countries which once were democracies as well as those in the totalitarian states.

Information committees suggested

Director F. H. LaGuardia of the Office of Civilian Defense has suggested that each local defense council initiate formation of Information Committees, to get the facts about the total defense program; to develop local interpretation of the facts to make them more meaningful; to develop locally, programs and campaigns important to defense, and to provide speakers on defense subjects for local organizations.

Such committees could comprise representatives of the local newspapers, radio stations, theaters, the superintendent of schools, the churches, the Bar Association, the merchants, etc.

MacLeish's comment on Bill of Rights

In his statement requesting the collaboration of the Office of Civilian Defense and local defense councils in the observance, Mr. MacLeish said:

"The precise event signaled by these ceremonies will be the ratification of the Bill of Rights by the State of Virginia, whereby the ascent of the necessary three-fourths of the States was secured; and whereby it became a part of the Constitution of the United States.

"The Constitution, written at the Federal Convention in the summer of 1787, did not contain a specific declaration of individual rights. In the opinion of the delegates such a declaration was unnecessary; it would either reaffirm rights already existing, or it would merely prohibit the national Government from interfering with them. Nevertheless, when the draft was submitted for adoption, it was discovered that many shared the view of Mr. Jefferson that 'a bill of rights is what the people are entitled to against every government on earth, general or particular; and what no just government should refuse, or rest on inference.'"

Massachusetts, Virginia, New York, and other States ratified the Constitution, but with the recommendation that a Bill of Rights be added. This recommendation was accepted by the First Congress, in the form of 12 proposed amendments, which were passed on September 25, 1789. Of these, 10 were declared ratified on December 15, 1791.

"They relate to (1) the freedom of religion, speech, and the press; (2) the right to establish State militia; (3) the quartering of troops in private houses; (4) the security of persons against unwarrantable searches and seizures; (5) capital crime; (6) criminal prosecutions; (7) trial by jury in common-law cases; (8) bails, fines, and punishments; (9) the relation of constitutional and 'natural' rights; and (10) the powers reserved to the States. They are today 'in-grained in our American natures.' They are worth defending, preserving, and advancing at every cost and by every means.

Local defense councils asked to help

"The anniversary of their adoption is therefore an anniversary well worth celebrating. It is the expectation of the Joint Resolution that the people of the United States will devise appropriate ceremonies for the day, and it is the hope of the Office of Civilian Defense that its local defense councils and their affiliated organizations may prove useful to the communities in the preparation of their plans.

"Time for the renewal of faith"

"The observances themselves, the 'appropriate ceremonies' must come from the American people, they must be of their own making, they must proceed spontaneously from the people's sense of gratitude for the privilege and protection of rights which are at once personal, im-prescriptible, and inalienable. It will be a time for the renewal of faith, faith in the doctrine of human liberty, faith in the principles by which we govern and are governed. It will be a time, too, for remembering—for remembering that in other parts of the world these privileges and these protections are denied, and for remembering that where they are denied neither human liberty nor human decency and self-respect survive their loss. It will be a time finally for pride—pride in our citizenship in a free nation, conceived in freedom and by freedom's strength brought to the foremost greatness of the earth."
Tally of local defense councils reveals 5,935 organized in Nation

A total of 5,935 local defense councils has been organized throughout the United States, it was announced last week by Mayor P. H. LaGuardia, director of the Office of Civilian Defense.

New England area has most councils

The New England area, comprising Region 1 of the Civilian Defense program (coterminous with the First Army Corps Area) leads the Nation in the number of local defense councils organized. This region includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, with a total of 1,238 defense councils. The regional director is Dean James M. Landis of the Harvard Law School, with headquarters in Boston.

Southwest area second

Second in number of defense councils organized is Region 8 (coterminous with the First Army Corps Area 8) in the Southwest with a total of 1,041 local councils. This region includes Arizona, Colorado, New Mexico, Oklahoma, and Texas. Texas, the largest State in the Union in area, leads the Nation with 890 local defense councils. R. E. Smith of San Antonio is the regional director of this area which is on the southern border of the United States (the State of New Mexico was chosen in September for the first State-wide black out demonstration because it is a border State).

The number of local defense councils organized in each of the nine regions, by States in the region, follows:

Region 1.—Connecticut, 169; Maine, 441; Massachusetts, 351; New Hampshire, 236; Rhode Island, 99; and Vermont, 111. Total, 1,238.

Region 2.—Delaware, 2; New Jersey, 554; and New York, 118. Total, 674.

Region 3.—District of Columbia, 62; Maryland, 5; Pennsylvania, 541; and Virginia, 125. Total, 733.

Region 4.—Alabama, 69; Florida, 81; Georgia, 118; Louisiana, 111; Mississippi, 107; North Carolina, 101; South Carolina, 54; and Tennessee, 18. Total, 659.

Region 5.—Indiana, 88; Kentucky, 65; Ohio, 150; and West Virginia. Total, 303.

Region 6.—Illinois, 148; Michigan, 91; and Wisconsin, 12. Total, 251.

Region 7.—Arkansas, 75; Iowa, 89; Kansas, 21; Minnesota, 162; Missouri, 5; Nebraska, 6; North Dakota, 30; South Dakota, 76; and Wyoming, 24. Total, 422.

Region 8.—Arizona, —; Colorado, 6; New Mexico, 68; Oklahoma, 77; and Texas, 880. Total, 1,041.

Region 9.—California, 229; Idaho, 44; Montana, 56; Nevada, 25; Oregon, 36; Utah, 29; and Washington, 195. Total, 614.

Grand total of local defense councils, 5,935.

LaGuardia urges more

Director LaGuardia said he was gratified at the increase in the number of local defense councils organized since establishment of the Office of Civilian Defense by Executive order on May 20. At that time the number of local defense councils was approximately 1,500.

"Organization of local defense councils is progressing at a gratifying rate," Director LaGuardia said. "But it must move at even a greater rate if we are to be prepared to meet any emergency."

LaGuardia calls for more volunteers in all phases of civilian defense

Director LaGuardia disclosed last week the total number of volunteers enrolled in the various services under the civilian protection program of the Office of Civilian Defense, in each local defense council, as reported by the States. He urged that more people enroll for training in every one of these services.

Calls for more volunteers

"At the present time there are slightly under a million persons enrolled in the various services necessary for the protection of our people if the necessity arises," Director LaGuardia said. "We undoubtedly should suffer the loss of a considerable number of lives in the event of an emergency because of the fact that we have not as yet a greater number enrolled and trained in the services. This is something to be deplored. It is my earnest hope that it will be brought home to the people in those areas in which a greater number have not enrolled and trained, that their participation in every one of these services is vitally necessary.

"It should stimulate the enrollment of men and women to know that the protection of their own families depends upon their participation in this program."

The figures follow:

<table>
<thead>
<tr>
<th>Service</th>
<th>Number of Volunteers</th>
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<tbody>
<tr>
<td>First Aid Certificates</td>
<td>94,923,000</td>
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<tr>
<td>Air raid wardens</td>
<td>214,184</td>
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<tr>
<td>Auxiliary police</td>
<td>29,403</td>
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<tr>
<td>Bomb squads</td>
<td>204,554</td>
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<tr>
<td>Auxiliary firemen</td>
<td>214,184</td>
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<tr>
<td>Fire watchers</td>
<td>6,681</td>
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<tr>
<td>Rescue squads</td>
<td>11,461</td>
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<tr>
<td>Medical corps</td>
<td>29,403</td>
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<tr>
<td>Drivers corps</td>
<td>63,207</td>
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<tr>
<td>Decontamination corps</td>
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<td>Messengers</td>
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<td>Demolition and clearance crews</td>
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<tr>
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<td>Road repair crews</td>
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The Treasury Department announced November 14 that sales of Defense Savings Stamps for October reached a total of $5,935,934, establishing the highest monthly total since the stamps were placed on sale last May 1. This figure, compared with the $4,978,000 worth of Defense Stamps sold in September, shows an increase of 19.2 percent. It marks the fourth straight month that the sale of stamps has risen.

Sales for Defense Bond sales for October, which were announced by the Treasury last week, also jumped sharply over September figures with an increase of 16.5 percent.

Sales by months

Defense Savings Stamp sales by months (figures rounded to the nearest thousands)

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<tr>
<th>Month</th>
<th>Stamps Sold</th>
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<td>May</td>
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<td>June</td>
<td>2,802,000</td>
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<tr>
<td>July</td>
<td>3,288,000</td>
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<tr>
<td>August</td>
<td>4,654,000</td>
</tr>
<tr>
<td>September</td>
<td>4,978,000</td>
</tr>
<tr>
<td>October</td>
<td>5,935,000</td>
</tr>
<tr>
<td>Total</td>
<td>24,933,000</td>
</tr>
</tbody>
</table>
4 new Contract Distribution field offices opened; State chairmen, directors named

Opening of four additional field offices to help qualified manufacturers obtain defense work was announced November 19 by the Contract Distribution Division of OPM, bringing to 67 the total number of such offices now operated by the division.

The new offices and their addresses are: Jackson, Miss.—610 Tower Building; Knoxville, Tenn.—202-204 Goode Building; Wilmington, Del.—Pennsylvania Railroad Building; Phoenix, Ariz.—406 Security Building; and Milwaukee, Wis.—Shepard, Roger—Milwaukee, Minn.; Simons, George W.—Jacksonville, Fla.; Weeks, George E.—Wichita, Kans.


Maritime Commission reports success in "farming out" work to small firms

In connection with the Federal Government's policy of "farming out" defense contracts to aid small manufacturers, the United States Maritime Commission revealed recently that it had in operation a similar policy and is now receiving machinery and equipment for the emergency ship construction program from approximately 450 concerns located in 32 States.

By agreement with prime contractors, the Maritime Commission assures possible subcontractors emergency orders whenever practical, thus expediting the delivery of necessary machinery and equipment.

In utilizing many inland manufacturing plants, congestion in coastal industrial centers has been avoided. Maritime Commission officials credit the "farming out" policy with eliminating "bottlenecks."

Concerns furnishing machinery and equipment for the emergency ship construction program are located in the following States: Alabama, Texas, California, Delaware, Kentucky, Pennsylvania, New York, Illinois, Minnesota, Florida, Ohio, Maine, Louisiana, Indiana, Nebraska, Rhode Island, Georgia, Colorado, West Virginia, Oregon, New Jersey, Connecticut, Virginia, North Carolina, Missouri, Maryland, Washington, Michigan, Wisconsin, Massachusetts, Tennessee, and Iowa.

OFFICE OF EMERGENCY MANAGEMENT

WAYNE COY, Liaison Officer


OFFICE OF PROCUREMENT ADMINISTRATION: Leon Henderson, Administrator.

OFFICE OF PRICE ADMINISTRATION: Leon Henderson, Administrator.

OFFICE OF STATISTICS: Harold H. Stone, Director.

OFFICE OF COMMODITY ADMINISTRATION: Leonard E. Murphy, Director.

OFFICE OF INDUSTRIAL COMMISSION: Ralph Budd, Commissioner.