12-2-1941

Defense Vol 2, No. 48

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DEFE NSE
OFFICIAL WEEKLY BULLETIN OF DEFENSE AGENCIES IN THE OFFICE FOR EMERGENCY MANAGEMENT
WASHINGTON, D. C.
DECEMBER 2, 1941
VOLUME 2, NUMBER 48

DEFE NSE PROGRESS
MANPOWER
United States Army, Oct. 9........ 1,588,500
Navy and Marine Corps, Nov. 1.... 376,014
Nonagricultural workers, Oct. .... 40,749,000
18 defense industries, Oct. ......... 2,760,000
Percent increase since June 1940 ---
FINANCE
(In millions of dollars)
June 1940 to latest reporting date
Authorized program Oct. 31......... *63,962
Contract awards Oct. 18........... 39,263
Total disbursement Sept. 30........ 10,748

PRODUCTION
Paid on contracts, June 1940-September 30, 1941 48,464,000,000
Merchant ships, October............ 10
Significant defense strikes in progress during week 10 6,900
Number settled..... 6 2,100
*Preliminary.

DEFENSE DISBURSEMENTS
On checks paid basis
October 1941 - 1 billion 658 million dollars

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Review of the Week in Defense

Americans learned last week that they will contribute metals to their defense program by receiving fewer new vacuum cleaners. The Priorities Division of the Office of Production Management, following up curtailment orders on production of automobiles, refrigerators, and domestic washers and ironers, directed large manufacturers of vacuum cleaners to cut their October through December output a tenth below the rate of factory sales in the year ended last June 30.

Foil order suspended

Another action which may have results apparent to the public was the suspension of an order which would have banished leadfoil and tinfoil from the wrappers of cigarettes, candy, chewing gum, and other civilian products after March 15. The order will be studied intensively to determine whether it shall be revoked, revised, or issued in its present form.

Meanwhile, it developed that the Southwest will have a bright Christmas after all. Further heavy rains to replenish reservoirs, and good use of the interconnected lines which feed electric current into the area of shortage, made it possible for OPM to announce that the black-out of show windows, theaters, hotels, tourist homes, and streets would be relaxed by December 15. Also, the 30-percent curtailment plan prepared for certain large consumers was indefinitely postponed.

Chromium earmarked for defense

The Priorities Division on November 27 took under its charge all deliveries of chromium and, earmarked for defense all high chromium content alloy steel produced after December 1. Within the week the Division extended the effective periods of orders dealing with calcium-silicon; cutting tools and materials for them; pig iron, steel, steel warehouses, and special kinds of iron and steel. At the same time, control of titanium pigments was postponed from December 1 to January 1.

Institutions for the blind were given a preference rating on scarce materials they must have if blind persons are to keep up productive work.

Lend-Lease passes billion mark

Results of 8 months' Lend-Lease effort were reported by OEM's Office of Lend-Lease Administration, which stated that "total Lend-Lease aid has passed the billion dollar mark." The administrator added that since the beginning of the war our exports to the British, including Lend-Lease aid, have amounted to approximately 5⅔ billion dollars. Most of this constituted deliveries on orders financed by the British.

The OPM Contract Distribution Division also counted its gains, listing contracts to a total of $31,577,090 awarded by the Army and Navy for relief of plants hard hit by the scarcity of materials. Muskegon, Mich., was certified for similar treatment. Director Odium appointed Alex Taub to engineer the conversion of factories all over the nation to defense production.

OPM announced that 3,500 tons of scrap steel in the fallen Tacoma Narrows Bridge would be rescued from Puget Sound for defense.

Deputies to help welders' settlement

OPM Associate Director General Hillman sent two deputies to the West Coast to help apply the pledge of nine American Federation of Labor unions that a welder need carry only one union card in transferring from job to job. The Labor Division issued an illustrated pamphlet to tell how working conditions have been stabilized throughout the ship-building industry.

For the second time since its creation, the National Defense Mediation Board passed a week without a strike on its calendar. The Board received the report of a special investigator in the Aluminum Co. of America case, announced agreement to arbitrate in the case of the Waterfront Employers' Association of Seattle, and received certification of two new disputes.

Stabilizing wood and paper prices

OPA spread its activities broadly throughout the lumber, wood products, pulp and paper industries to steady prices. Wood pulp producers agreed there would be no change in prices for the first quarter of 1942. More than 100 wholesalers of paper products indicated their consent to sharp reductions in jobbers' mark-ups on kraft. Manufacturers of over half the nation's writing, book and printing paper, exclusive of newsprint, reported they did not expect to raise their prices in the near future.

Two more dealers in wastepaper signed stipulations for refund of all charges in excess of ceiling prices. OPA amended its paperboard schedule to let importers add duty to the delivered price regardless of the ceiling.

Prices for doors, doorframes, sash, window frames and screens made of Western pine were stabilized for the time being by agreement. A ceiling was placed on manufacturers' prices for Douglas fir doors, which represent about 60 percent of all doors made in the United States. Ceiling prices covering all lumber from southern hardwoods are to be discussed at a meeting in New Orleans, December 5. OPA suspended, however, its plans to set maximum prices on wooden household furniture. Since the announcement that a ceiling was being prepared, the upward trend has leveled off.

Scrap buying facilitated

OPA also amended its price schedule to encourage the flow of iron and steel scrap into California steel mills and foundries; amended two carded cotton goods ceilings to tie contracts made before July 21, 1941, to 15.99-cent "spot" raw cotton; achieved agreement stabilizing prices of the dry colors used in paints, printing inks, lacquers, enamels and plastics; and considered a ceiling on hide glue.

Under the auspices of the Office of Civilian Defense, representatives of 17 women's organizations discussed acceptance of an invitation to visit England and see Britain's feminine defense workers at their jobs.
Lend-Lease Aid has passed billion, administrator reports

The following summary of Lend-Lease Aid was issued November 24 by Edward R. Stettinius, Jr., Lend-Lease Administrator:

1. Total Lend-Lease Aid has passed the billion-dollar mark.
2. At the end of October the amount of aid was approximately 919 million dollars. Increases since then have brought the figure to more than a billion dollars.

225 million in October

3. The steady increase in Lend-Lease Aid is shown by the following monthly amounts (in millions of dollars):
   - March, 18; April, 40; May, 60; June, 83; July, 134; August, 150; September, 207; October, 225. Total to October 31, 1941, 919.
4. Actual contracts have been let for more than 75 percent of the first seven billion dollar Lend-Lease Bill and 100 percent of the funds therein have been allocated.
5. The new 6-billion dollar appropriation is being allocated rapidly.

Exports to Britain, 51/4 billion

6. Since the beginning of the war, our exports to the British, including Lend-Lease Aid, have amounted to approximately 51/4 billion dollars, most of which was financed by the British with their own dollars. In October, exports to the British were the largest of any month since the war began.

★★★

Leadfoil and tinfoil ban suspended for further study

Priorities Director Nelson announced November 28 that the lead foil and tinfoil order issued November 24 had been suspended for 30 days.

During the period of its suspension an investigation will be made to get all of the facts upon which the order was based, that a final decision may be reached as to whether the order should be revoked, modified, or put into effect unchanged.

The order would have placed immediate restrictions on the use of lead and tin in the manufacture of lead foil and tin foil, and would have prohibited the manufacture and sale of tinfoil and lead foil after January 15. It would also have prohibited the use of tinfoil and lead foil after March 15.

Big vacuum cleaner factories' output cut to 90 percent of July 1940-June 1941 level

A 10 percent cut in production by large manufacturers of vacuum cleaners for household use was ordered November 27 by Priorities Director Nelson.

The reduction is based on average monthly factory sales for the 12 months ended June 30, 1941, and covers the period from October 1 to December 31, 1941.

Designed to conserve steel and other critical materials for national defense, the program follows the pattern of curtailment of production of domestic mechanical refrigerators and washing and ironing machines.

Curtailment relatively small

Curtailment of the vacuum cleaner industry is relatively small compared to cuts ordered for other consumers' durable goods industries. Vacuum cleaners require only small amounts of raw materials. The industry has a high ratio of employment compared with the amount of material consumed.

Total steel consumption by the industry in 1940 was less than 10,000 tons, while factory employees numbered approximately 8,500. The comparative factory employment figures per 1,000 tons of annual steel consumption are approximately 850 in the vacuum cleaner industry, as against 100 in the domestic mechanical refrigerator industry and 140 in the washing machine industry.

19 companies affected

Nineteen companies reported to the Division of Civilian Supply that they will be affected by the curtailment. Some transfers of facilities to defense production have been accomplished. Equipment used in general by the industry, however, requires modifications before it can be made adaptable to defense work.

Any labor displacement resulting from the curtailment will have the attention of OPM's Labor Division, which undertakes programs for retraining workers for defense jobs.

The effective date of General Preference Order M-44, relating to the distribution of titanium pigments, has been changed from December 1, 1941, to January 1, 1942. It was announced November 26 by the Division of Priorities. The change was made to provide more time for the preparation of forms to be used under the order.
PRIORITIES . . .

Nation's stock of chromium, production of chrome steel earmarked for defense

Two orders sharply limiting the use of chromium and chrome steel were announced November 27 by the Director of Priorities. The first, M-18-a, places in the hands of the Director of Priorities direction of all deliveries of chromium. The second, an amendment to M-21-a, prohibits the manufacture and delivery of alloy iron or steel containing 4 percent or more chromium except on A-10 or higher preference ratings.

Effect of the two orders will be to retain for defense manufacture all the high chromium content alloy steel produced after December 1, 1941, and to earmark for defense the Nation's stock of chromium.

A-10 or higher rating required

Main provisions of the amendment to M-21-a are:

1. Except under a specific rating of A-10 or higher, or specific permission of the Director of Priorities, no producer shall process beyond ingot, bloom, billet, sheet, bar or slab, or after December 1, 1941, deliver, any alloy iron or alloy steel containing 4 percent or more chromium.

2. The Director of Priorities may issue directions allowing for forbidding specific deliveries of chrome alloy steel.

3. The Director of Priorities may issue other specifications in regard to chrome steel, or on any other alloy of steel.

Priorities director controls deliveries

Main provisions of M-18-a are:

1. Full control of deliveries of chromium is lodged in the Director of Priorities and monthly requests for chromium must be made to producers.

2. The aggregate chromium oxide content of chemicals is limited in each month to one-twelfth the amount of ore used in chemicals actually delivered in the 12 months ending June 30, 1941.

3. The order revokes Order M-18, issued July 7, 1941, and amended August 22. It becomes effective November 29, 1941.

Over 90 percent of chromium is imported

Chromium has three general uses, the manufacture of stainless and hardened steel; as a refractory in the manufacture of steel, and in the chemical industry for tanning leather and as a dye pigment.

Approximately 55 percent of our total chromium supply in 1941 was used for alloying steel, with refractory use second in volume. More than 70 percent of metallic chromium currently is being used for defense and essential civilian purposes.

While domestic production of chromium has increased greatly since the start of the defense program, more than 90 percent of all our chromium must be imported, largely from Africa, the Philippines and Turkey.

Institutions for blind granted A-8 rating for scarce materials

In order that the useful, productive work performed by many blind persons may not be curtailed as a result of the metals shortages, the Priorities Division issued November 29 a limited blanket rating order to institutions for the blind.

The order, effective immediately, assigns a preference rating of A-8 to contracts for approved quantities of specified materials. The wire and other hardware necessary to complete many of the economically valuable products of blind workers have become increasingly difficult to secure in adequate quantities, and it is expected that the order will assure deliveries of scarce materials to the establishments covered by it.

Government is largest customer

The Federal Government is probably the largest customer for goods produced by the blind, its purchases in certain lines being confined to articles turned out by these skilled but handicapped persons.

Institutions wishing to qualify for assistance under the new order are required to furnish information of their needs on Form PD-106. Authorization for the application of the rating will then be given for a 3-months' period.

The priority aid provided by the order may be extended by an institution to its suppliers.

Calcium-silicon order extended: conforms to Regulation No. 1

The General Preference Order controlling production and distribution of calcium-silicon, which was due to expire November 30, was revised and extended to May 31, 1942, by the Director of Priorities November 29. Calcium-silicon is a material used in making certain types of alloy steel.

All calcium-silicon has been subject to direct allocation by the Director of Priorities since July 29, 1941, under the terms of General Preference Order M-20. General Preference Order M-29-a, issued November 29, continues the allocation procedure without substantial change, but brings the form of the order into conformity with Priorities Regulation No. 1.

Uses large quantities of power

Production of calcium-silicon can be expanded as required, but takes very large quantities of electric power. For that reason, its use is restricted to defense orders and essential civilian requirements.

All users of calcium-silicon must file monthly reports of types and quantities of steel to be melted in the succeeding month, amounts of calcium-silicon to be used, ultimate consumption of the steel, preference ratings of orders to be filled, and inventory on hand.

Mine machinery order extended to December 31

Donald M. Nelson, Director of Priorities, has dispatched the following telegram to the companies which have been operating under Preference Rating Order P-23:

"Preference Rating Order P-23 issued to your company is extended to and including December 31, 1941. You must furnish a copy of this telegram to each of your suppliers."

Extends preference rating of A-3

This order extends a preference rating of A-3 to delivery of material entering, directly or indirectly, into the production of mining machinery and equipment to fill defense orders. The preference rating is applicable only to deliveries of materials included in the Priorities Critical List.
MATERIALS . . .

30 percent power cut put off indefinitely in South; black-out to be relaxed December 15

Following an all-day meeting in Atlanta with representatives of the major public and private utility systems in the Southwest, the OPM power branch staff announced November 26 indefinite postponement of the pending 30 percent power curtailment of large commercial and industrial consumers in six Southeastern States and definite assurance of relaxation, beginning December 15 at the latest, of the black-out restrictions now in effect.

3 provisions must stay in effect

The following provisions of the OPM power limitation order must however, be continued in full force and effect:

1. Freezing of consumption at September levels of large commercial and industrial consumers in Georgia, Alabama, Tennessee, eastern Mississippi, Southeast South Carolina, and Northwest Florida.

2. Power pooling arrangements for maximum deliveries of power into the shortage area.

3. Strict compliance with blackout restrictions until December 15 or such earlier date as may be announced later.

Precise arrangements for the relaxation of the black-out will be announced later.

Heavy rain is biggest relief

Relief from the power curtailment program was made possible by several favorable developments. Most effective was a heavy rain over the region last week-end which yielded approximately 119,000,000 kilowatt-hours of power.

The power pooling arrangement is now bringing into the shortage area more than 40,000,000 kilowatt-hours a week. This is nearly 13,000,000 more than the highest amount brought in prior to the pooling provisions made mandatory under the OPM order.

Increased fuel generation has accounted for an additional 2,100,000 kilowatt-hours a week.

Concurrently with the increase in the region's power supply by rains and improved power pooling, power consumption was reduced by more than 11,000,000 kilowatt-hours a week through the black-out, voluntary curtailment, and freezing consumption of large consumers. Consumption last week was 11,600,000 kilowatt-hours less than it was the week ending October 25, the last week before the OPM order was issued.

Real saving of 17,500,000 kw.-hrs. indicated

Actual savings were even greater, because normally power loads in November are substantially greater than during late October. Utility systems in the area had estimated that in the absence of power restriction, consumption for the week ending November 22 would have been 252,000,000 kilowatt-hours. But with the restrictions in effect, consumption last week was only 224,500,000 kilowatt-hours, indicating a real total saving of 17,500,000 kilowatt-hours.

Just before the OPM power limitation order was issued, the shortage area was operating at a weekly deficit of 82,500,000 kilowatt-hours, all of which had to be taken from already depleted reservoirs. Had that rate of deficit operation been permitted to continue, the reservoirs would have been virtually dry by November 24, resulting in complete breakdown of power supply.

During the past 3 weeks, the weekly deficit has been cut from 82,500,000 kilowatt-hours to 31,600,000.

Power output up 200 percent 1920-40, FPC report shows

The Federal Power Commission announced recently its publication of a new 163-page report entitled "Electric Power Statistics, 1920-40," which presents for the first time for each State the complete series of data from 1920 to 1940 on production of electric energy, capacity of generating plants, and consumption of fuel for the production of electric energy. Production and capacity data are given by class of ownership and type of prime mover for each State and each year.

The rapid expansion of the electric utility industry in the United States may be illustrated by comparing the 144,984,565,000 kilowatt-hours of electric energy produced in 1940 with a total production of 43,334,282,000 kilowatt-hours in 1920, an increase of more than 200 percent.
MEDIATION BOARD...

Best work has been in keeping men on job pending settlement—Davis

The National Defense Mediation Board has settled 78 of the 108 industrial disputes certified for its action, but the important success has been in keeping men on the job pending settlement, Chairman Davis said in an OEM Defense Report on the "Voice of Firestone" program, December 1. Excerpts from his remarks scheduled for the program follow:

Q. Let me see if I have this right, Mr. Davis. As I understand, the National Defense Mediation Board acts as a sort of go-between, smoothing out difficulties that arise between employers and labor in the defense industries, is that right?
A. I think that about expresses it. When a dispute arises, our job is to get the parties together—the worker and the employer—and let them talk things over.

Aim is to avoid strikes

Q. And settle the strike?
A. If there is one. But more important than that—much more important—our aim is to avoid strikes. That was the main reason for the establishment of our Board—the theory that if labor and management were given a place to go where they would have a fair hearing of their disputes, they would submit to impartial and friendly mediation rather than resort to a test of economic strength on the picket line.
Q. In other words, the idea was not to wait for name-calling and rocks to begin to fly.
A. That's it. You might recall the situation that existed when our Board was organized last March.
Q. It was serious, as I recall.
A. Dangerously so. The Allis-Chalmers strike—which incidently lost 3 million man-hours before it ran its course—had slowed up destroyer production in spite of the efforts of the highest Government officials to settle it. The huge Ford plant at River Rouge was closed. At Bethlehem Steel's Lackawanna works, the huge national Harvester, among others. Was that one of those first four cases?
A. No. Let me give you an example. On March 27 last, the Board received its first four cases. Less than 4 days later, the 17,000 striking employees were returning to defense work. That was the Board's first experience in the role of mediator.
Q. Let me see—you mentioned International Harvester, among others. Was that one of those first four cases?
A. Yes.
Q. How did you get them back to work in that case, Mr. Davis?
A. The men voted to go back to work while the Board is patiently delving for the facts.
Q. I see. But do these strikes go on while the Board is patiently delving for the facts?
A. No. Let me give you an example. On March 27 last, the Board received its first four cases. Less than 4 days later, the 17,000 striking employees were returning to defense work. That was the Board's first experience in the role of mediator.
Q. Let me see—you mentioned International Harvester, among others. Was that one of those first four cases?
A. Yes.
Q. How did you get them back to work in that case, Mr. Davis?
A. The men voted to go back to work on the mere guarantee that they would not be discriminated against and that the Board would give them a fair hearing on all the issues.
Q. That seems fair enough all around. Didn't you mention the Allis-Chalmers strike a moment ago, Mr. Davis?
A. Yes.
Q. What happened in that case?

A. Well, I believe that was a real test in the minds of the public. The Mediation Board was still a new idea. The men had been on strike for 75 days. Within 48 hours after representatives of the company and the union had entered the Mediation Board hearing room, tempers had cooled off and a compromise settlement worked out and signed. I think the public began to realize then that we were on the right track. And—more important—labor and management both began to gain confidence in the fairness of the Board and in its ability to settle disputes.

Q. 78 of 108 settled?
A. To date, 108 cases have been certified to our Board. They involved over a million workers.
Q. When you say "certified to the Board," Mr. Davis, what does that mean?
A. Disputes reach us only after certification by the Secretary of Labor.
Q. Which means that each case must really threaten the national defense?
A. Yes. And we get only those where every other means of settlement has failed.
Q. Tell me, Mr. Davis—of those 108 industrial disputes, what proportion have been settled by the Board?
A. Seventy-eight have been settled finally. The others are still pending. But those workers are not on strike. They are on their jobs awaiting settlement of their grievances.
Q. Meanwhile giving both sides a chance to think it over. I begin to see what you mean by the "cooling off process."

Let the people decide by the facts

Q. Does the Board have any authority to compel labor or management to accept settlements?
A. None whatsoever.
Q. Do you mean you have no power to make them come to terms?
A. The only power granted the Board by Executive order was the power in case mediation fails to go on and make findings of fact and issue recommendations which would be made public. The public is entitled to know the truth in these disputes that affect public safety and national defense. We find the facts and let the American people decide for themselves. That is the surest and most effective weapon anyone can possess in a democracy.
December 2, 1941

DEfENSE

356,116 defense workers on the job pending settlement in 31 cases

With the return to work of the men in the captive coal mines, the National Defense Mediation Board last week (November 24-30) had, for the second time since its creation, a calendar completely free of strikes. There are 31 cases pending before the Board, involving 356,116 men, all of whom are at work on defense jobs awaiting settlement of their disputes.

The Board also last week received the report of a special investigator in one case; announced that arbitration had been agreed to in a second case, and received certification of two new cases.

Aluminum Co. of America

Five plants of the Aluminum Co. of America, located at New Kensington, Pa.; Edgewater, N. J.; Detroit, Mich.; Badin, N. C.; and Alcoa, Tenn., are involved in the dispute between the company and the Aluminum Workers of America, CIO. A panel composed of William H. Davis, Cyrus Ching, and James B. Carey had held hearings for several days last August, and since agreement could not be reached at that time, interim findings and recommendations were issued. These provided for the appointment of a special representative to investigate the issues in dispute—the union's demand that the wage differential between the northern and southern plants of the company be abolished, and that the afternoon and night shift workers at the New Kensington plant be granted a 10-cent per hour bonus. The Board appointed Paul R. Hayes of the New York State Board of Mediation as its representative, and on November 25, Mr. Hayes appeared before Mr. Davis, chairman of the panel, to make his report. Also present at the meeting last week were M. M. Anderson, personnel director of the company, and Nicholas Zonarich, international president of the union.

The report, which was not made public, was given to both the company and the union with the suggestion that they try to reach an agreement by direct negotiations on the basis of the report. If this fails, the Board will then consider what steps will be taken.

Waterfront Employers Association

On November 24, hearings before a panel of Prando W. H. Adams, Cyrus Ching, and George Googe opened in the dispute between the Waterfront Employers Association of Washington and the International Longshoremen's Association, AFL. A threatened strike of 1,065 men over wages and the negotiation of a new agreement had been postponed at the request of the Board before the parties came in for hearings. After 2 days, an interim agreement was reached for the completion of contract negotiations, which will incorporate all mechanics except those dealing with wages. On this question, both parties agreed to submit to the Board "for determination and settlement, the initial basic wage rates and salaries to be incorporated in such agreements, with the understanding that:

"(a) The Board shall direct a survey of the industry involved and such additional hearings as it considers necessary.

"(b) Pending determination of wages by the Board, there shall be no strikes or work stoppages or lockouts."

The necessary data on wage rates and salaries for the Board's arbitration procedure are to be gathered by a special representative to be appointed by the Board.

Cleveland Graphite Bronze

Disagreement over one clause of the agreement between the Cleveland Graphite Bronze Co., Cleveland, Ohio, and the American Federational Society of America, independent union, brought in both parties before the Board. The agreement which had been reached on October 16 after 2 days of hearings by Frank Graham, Rolland Hamilton, and George Googe was ratified by the union in Cleveland a few days later. However, a dispute had arisen over the interpretation of a clause in the contract regarding minimum rates for learners and probationary employees. Both parties asked the Board's aid in settling the dispute. After a 1-day hearing on November 27, it was agreed that written statements of their positions would be submitted by the company and the union to the panel for appropriate action.

The company employs 2,500 men and produces bearings for aircraft engine concerns and supplies other engine manufacturing plants making tank engines, tractor and auto.

New cases

Two new cases certified to the Board last week involved the Burgess Battery Co. of Freeport, Ill., and the International Association of Machinists, AFL; Nevada Consolidated Copper Corporation, Santa Rita and Hurley, N. Mex., and the Metal Trades Council, AFL.

Cutting-tool and welding orders extended into 1942

Orders relating to cutting tools, materials entering into their production, and materials entering into the production of arc-welding and resistance-welding machines were extended on November 29 by the Division of Priorities.

Supplementary Order No. E-2-2, which directs the distribution of certain cutting tools, was extended to February 28, 1942, as was Preference Rating Order No. P-18-a, which assigned a preference rating of A-1-a to deliveries of materials entering directly or indirectly into the production of specified cutting tools. Both of these orders were amended to include metal cutting shears knives and metal cutting circular saws in addition to those previously enumerated.

Preference Rating Order No. P-39 which assigned a preference rating of A-1-c to delivery of materials to be physically incorporated into, or necessary to the production of, arc-welding and resistance-welding equipment, including electrodes, was extended to March 15, 1942.

15 percent of December lead to be set aside for pool

Every refiner of lead will be required to set aside 15 percent of his December production for allocation by the Director of Priorities, it was announced November 29.

The percentage to be set aside in December is the same as that announced for November, and is expected to amount to from 6,000 to 6,500 tons.

Metal not allocated out of the pool will be added to the Government steel pile.

Zinc pool for December is 29 percent of August output

Zinc pool requirements for December were announced November 29 by the Division of Priorities.

Producers of metallic zinc are required to set aside 29 percent of the amount they produced in August for the December pool. This is a reduction of 2 percent from the November requirement and will result in a supply, available for allocation, of 21,700 short tons.

Producers need not set aside any zinc oxide or zinc dust during December.
PRICE ADMINISTRATION . . .

Used steel drums, higher-priced than new, cut to $2.25 for 50-to-55 gallon type

Prices of second-hand steel drums, which have risen to exorbitant levels since the beginning of 1941, will be brought down sharply in a schedule of ceiling prices announced November 25 by OPA Administrator Henderson.

As compared with a price of $2.72 each for new containers, reconditioned standard steel drums of 55-gallon capacity have been selling in Eastern markets at from $3.50 to $4.50. The OPA schedule, effective December 1, 1941, sets a maximum delivered price of $2.25 each for used containers of this type.

Example of inflationary spiral

"Price action of used steel drums in recent months has added to our experience one more excellent example of how an inflationary spiral develops," Mr. Henderson stated. "Second-hand drums are a very important item in many industries. They afford to manufacturers of such materials as chemicals, petroleum products, paints, varnishes, lard and shortening a cheaper form of container and, hence, are a real factor in the prices of numerous finished products.

"Supplies of new steel drums now have become seriously curtailed as a result of the unusual requirements of our defense program. This shortage in turn has created heavy demand for used drums and prices have gotten out of hand. No. 1 reconditioned drums that sold around $1.75 each in Eastern markets 10 months ago have gone up to $3.50 and $4.50, or from 30 percent to 60 percent above the current prices of new drums. As usual, speculation and hoarding have accompanied this rise, exerting pressure for still higher prices.

"In the case of certain cheaper grades of petroleum products, the cost of the container has become greater than the value of the product it contains."

$2.25 within 50-mile radius

The OPA schedule fixes a maximum delivered price for reconditioned steel barrels or drums, size 50 to 55 gallons, 18-gage, of $2.25 each, within a radius of 50 miles from the reconditioning plant. For each 75 miles or fraction thereof in excess of this 50-mile radius, there may be added all actual transportation charges or 10 cents a barrel, whichever is less. In the States of California, Washington, and Oregon, according to the schedule, a further 50 cents per unit may be added to the foregoing maximum charges. This recognizes a premium that has prevailed traditionally on the West Coast. These ceiling prices may be increased by another 25 cents per unit in cases where the reconditioned drums have been lacquer-refined and baked.

A top price of $1.60 per unit delivered is set for 18-gage 50- to 55-gallon drums in a "raw," or uncleaned or unconditioned state. In the three West Coast States this maximum is raised to $2 each.

Maximum price that may be charged when a user buys a second-hand standard 50- to 55-gallon drum directly from the person who empties the drum is set at $1.25 f. o. b. the "emptying point."

Approved prices for rolled zinc sheets, strip and plates listed by OPA

A list of maximum prices for rolled zinc sheets, strip and plates, which the Office of Price Administration has prepared in the light of the recent 1½ to 4 cents per pound increase in the price of slab zinc, was made public November 29 by Administrator Henderson.

Rolled zinc is important in defense. Sheets are used as lining for powder and cartridge boxes; strip goes into battery shells and cartridge fuses; while plates are used to protect the insides of ship boilers and the hulls of ships from corrosion.

Approved base prices listed

The approved maximum base prices are as follows:

Sheet zinc—13.15 cents per pound, f. o. b. mill; carloads (36,000 lbs.) and over, 7 percent discount.

Ribon or strip zinc—12.25 cents per pound, f. o. b. mill; 3,000 pound lots, 1 percent discount; 6,000 pound lots, 2 percent discount; 9,000 pound lots, 3 percent discount; 18,000 pound lots, 4 percent discount; carload lots, 7 percent discount.

Zinc plates—Small (not over 12 in.): Lots of 1,000 pounds and over, 11 cents per pound, f. o. b. mill; lots of less than 1,000 pounds, 12 cents per pound, f. o. b. mill.

Large (over 12 in.): Lots of 1,000 pounds and over, 12 cents per pound, f. o. b. mill; lots of less than 1,000 pounds, 13 cents per pound, f. o. b. mill.

Zinc engravers' plates—Raw: Carloads (36,000 lbs.) and over—7 percent discount.

Zinc lithographers' plates—15 cents per pound, f. o. b. mill. Carloads (36,000 lbs.) and over—7 percent discount.

Customary differentials observed

The new prices take into consideration the customary differentials between the various rolled zinc products, as well as the increased volume of production in the industry, generally. They allow a differential of 4.9 above the price of Prime Western zinc for sheet and 4 cents for strip. The differential between strip and sheet prices was formerly 1½ cents, but since September 1939, the differential has been 1 cent and 1½ cents. However, the 0.9 cent differential allowed in the approved prices is believed to represent more closely the actual differential in costs of production.
Large producers of dry colors to observe October 1 price level

Individual agreements stabilizing prices of organic and inorganic dry colors at the levels of October 1, 1941, have been reached with all of the large producers, OPA Administrator Henderson announced November 25.

Paints, printing inks, lacquers, enamels, and plastics all derive their thousands of colors, tints, and shades from dry colors. Since supplies from Germany have been cut off, South America has become an important customer for dry colors produced in the United States. The agreements, which extend to January 1, 1942, provide for prices no higher than those quoted in the price lists of a majority of the producers as of October 1, 1941.

The sole exception is "peacock blue" which will be sold by each manufacturer at his October 1 price. Certain producers whose prices have been somewhat above the general October 1 level will reduce their quotations to that base. It is expected that similar agreements with smaller manufacturers will be arranged.

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Burlap situation discussed at meeting

All phases of the burlap situation were discussed November 26 at a meeting between representatives of the Office of Price Administration, the Department of Agriculture, the Office of Production Management, and the burlap importing and bag manufacturing industry committee of OPM.

Matters discussed included the availability of cargo space for burlap, outlook for stabilization of prices in Calcutta, and the contemplated burlap allocation order.

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Radio program answers queries on how to aid defense

The what? why? and where? questions of national defense are being answered in the radio program called "Democracy Begins at Home," heard every Sunday morning over WRC, from 10:45 to 11:00 a.m.

Mary Mason, director of women's activities at NBC, answers all questions sent in by her listening audience on the various phases of national defense, and what the individual can do to help.

Price schedule changed to accelerate flow of scrap to California steel mills

Direct steps to enable California's steel mills and foundries to tap supplies of iron and steel scrap from every part of that State and to make it possible for steel plants to reach into Oregon for additional supplies were announced November 25 by OPA Administrator Henderson.

The OPA action takes the form of an amendment to Price Schedule No. 4—Iron and Steel Scrap—which also contains some minor revisions with respect to low phosphorous scrap and machine shop turnings. The latest amendment, together with all amendments made since August 8, 1941, are incorporated in a revised schedule now being printed. Text of the revised schedule was published in the Federal Register of November 25 and copies will be available at OPA in the near future.

Measures to stimulate scrap flow

Measures designed to stimulate the flow of scrap to steel mills and foundries in and near San Francisco and Los Angeles may be summarized as follows:

1. Maximum basing point prices at San Francisco and Los Angeles are increased by 2.50 per gross ton with respect to grades of scrap usually used in open hearth furnaces. This change does not affect the grades of scrap used by foundries for casting purposes.

2. A shipping point price of $12 a gross ton for No. 2 heavy melting scrap steel may be paid in the State of California wherever the present maximum is below that figure. Existing grade differentials applying to San Francisco and Los Angeles basing points scale upward and downward from this level with respect to all other grades of scrap either for open hearth furnaces or foundries. This enables steel mills and foundries within the State to pay at least $12 a gross ton at the point where the scrap originates and to absorb all actual transportation charges incident to shipment of the scrap to the consuming plant.

Oregon added to "remote scrap areas"

3. With respect to "steel making" grades of scrap only, Oregon is added to the nine other States defined as "remote scrap areas" in the amendment of September 26, 1941. This allows steel mills and foundries to pay a maximum shipping point price of at least $12 a gross ton for No. 2 heavy melting scrap in Oregon and to absorb up to a total of $5 a ton in transportation costs to bring the scrap to their plants. It is emphasized that Oregon is not established as a "remote State" for foundry cast iron scrap.

Redeinition for San Francisco area

To deal with the peculiar scrap purchasing situation in the San Francisco area, the amendment redefines the San Francisco basing point to include the towns of South San Francisco, Oakland, and Niles. The town of Pittsburg, Calif., is established as a new basing point with the same basing point prices as San Francisco for all grades of scrap. Because little scrap of the "steel making" grades is consumed in Oregon, Portland is eliminated as a basing point for those grades. However, it is continued as a basing point for foundry cast iron grades.

Another adjustment made by the amendment is an increase of $1.50 per gross ton in the basing point prices of No. 1 cupola cast-iron scrap at both San Francisco and Los Angeles, and the differentials established in St. Louis for other cast-iron grades are now made applicable at San Francisco and Los Angeles.

Adjustments follow first-hand survey

All of the foregoing adjustments, Mr. Henderson stated, were made after a careful first-hand survey of the scrap situation on the West Coast by members. It is not expected that the changes will make necessary any increase in the price of steel products. Because of the great distances and other factors peculiar to that section of the country, scrap supply problems in California are unique, and Mr. Henderson emphasized that there must be no expectation of similar scrap price adjustments in other areas.

Two other minor revisions are included in the new amendment. One increases by $1 per gross ton the basing point price of low phosphorous scrap at Cincinnati, Portsmouth and Middle-town, Ohio, and Ashland, Ky. The other removes certain restrictions on delivered prices in cases where the Office of Production Management allocates machine-shop turnings to ferro-alloy plants. This clears the way for these plants, which are remote from the sources of machine-shop turnings, to secure the supplies needed for a continuance of their products.
Over 100 kraft wholesalers indicate willingness to abide by cut in mark-ups

More than 100 representative wholesalers of paper products have individually indicated their willingness to abide by requests of OPA for a sharp reduction in the present jobber's mark-ups in prices of kraft wrapping paper. Administrator Henderson announced November 25.

Similar requests will be made individually to all other members of the trade.

Producers' prices already stabilized

While the understandings, which became effective November 20, are limited to kraft wrapping paper, the method of determining mark-ups on that item will be generally applicable to all other coarse paper products sold through jobbers. It is planned to make similar individual requests with respect to other coarse paper products as soon as practicable.

"Jobber's mark-up" is a term used to describe an addition made by a wholesaler to the price charged by a producer. The mark-up provides an operating margin to wholesalers for their services in distributing and operating an elaborate distribution system for a wide variety of products.

By a series of individual agreements made with paper mills, OPA has kept the producers' price of Southern kraft wrapping paper, which makes up the bulk of the output, stable at around 4½ cents a pound for the past several months. Northern kraft wrapping paper sells at about one-half cent a pound higher.

Mark-ups have increased

While these agreements have been successful in maintaining stable prices at the source, unusual demand resulting from increased business activity has created an abnormal situation in the wholesale field. Jobber's mark-ups have increased 2½ to 5½ a pound on standard grades and even more on specialty grades. Hence, the cost of kraft wrapping paper to the ultimate consumer has become inflated and the effect of stable prices at the source has been lost.

Sharp reduction provided

OPA's agreements reduce mark-ups sharply. Using as a guide the "Manual of Standard Accounting and Costing for the Paper Distributing Trade," which was developed by the paper distributing trade during the NRA days, the understandings set specific mark-ups in terms of cents per pound. They cover both Northern and Southern standard kraft wrapping paper in counter and "jumbo" rolls, 40-pound basis weight and higher, with differentials above base prices for sheets, special sizes and cuts and "super-standard" grades. Mark-ups are graduated according to quantity contained in a single delivery and jobbers' prices are f. o. b. jobbers' warehouse.

Paperboard under ceiling

Mr. Henderson pointed out that chipboard and all grades of paperboard and paperboard specialties, which are handled by wholesalers frequently as an accommodation to their customers, are covered by Price Schedule No. 32. Paperboard Sold East of the Rocky Mountains.

Domestic wood pulp prices stabilized, by agreements, for first quarter of 1942

There will be no change in domestic wood pulp prices through the first quarter of 1942, as a result of extension of individual agreements between pulp producers and the Office of Price Administration, Administrator Henderson announced November 26.

These individual agreements, concluded late in October after several producers had agreed to withdraw fourth quarter price increases previously announced, continued in effect for the remainder of 1941 the prices that generally had prevailed since June 1940. Extension of these prices for the first 3 months of 1942 contributes importantly to stable prices for paper, Mr. Henderson said.

Prices of leading grades

Leading grades of pulp covered by the voluntary agreements and the maximum first quarter domestic prices are:

- Bleached sulphite, bond and book, $72.50 a ton, on dock Atlantic seaboard; soda pulp, $66 a ton, delivered; bleached Southern and bleached Northern Kraft, $82.50 a ton, on dock Atlantic seaboard; and ground wood, $40 a ton delivered.

These are representative of contract prices charged during the fourth quarter. In the case of unbleached Northern and Southern Kraft, each producer has agreed not to exceed the fourth quarter contract prices. In respect to all other grades of pulp, the differentials in effect during the fourth quarter will be retained throughout the first quarter of 1942. Certain individual situations are undergoing investigation by OPA and minor adjustments may be found desirable, it was stated.

Broadened to cover exports

Mr. Henderson disclosed that in addition to domestic pulp prices, the agreements have been broadened to cover export prices and prices at which sales will be made to the Government under the Lend-Lease program.

Lend-Lease pulp purchases usually are shipped from the West Coast. The agreements provide that maximum prices shall be computed by taking the Atlantic seaboard base price, deducting average freight from the producing mill to its domestic customers in the past 3 months, and then adding the actual cost of transporting the pulp to the port of shipment. This will result generally in prices well below those that have prevailed recently in Lend-Lease sales.

Similarly, substantial savings to Latin and South American buyers of United States pulp are involved in the new arrangements for export sales. Maximum export prices, according to the understandings, will be based on the net mill realization price of domestic sales, plus freight, insurance, financing fees, and other costs actually involved in export sales.
50 makers of book, printing, and writing paper foresee no price rise in near future

Manufacturers of more than 50 percent of writing, book and printing paper (excluding newsprint) have indicated to the Office of Price Administration that no increases in their prices are in prospect for the near future. Administrator Henderson announced November 27.

Cost data requested

Expressions to this effect came in replies to letters sent recently by OPA to about 250 paper producers. In these letters, Mr. Henderson said it had been reported to his office that further price advances were being planned by certain manufacturers. He asked producers to consult OPA before taking any price action, and specifically to submit cost data to justify contemplated increases.

Typical of the replies received was one that said, "We are renewing our contracts for 1942, putting into effect for the first quarter, that is, until April 1, the same prices that prevail for the last quarter of this year."

Newspaper on annual contract

Producers of writing, book, and printing paper do not make newspaper. The latter is sold on annual contract with provision for price adjustments quarterly. There has been no change in newspaper prices for some time.

Extension of fourth quarter wood pulp prices through the first 3 months of 1942, announced November 27 by OPA, is an important factor in maintaining stable prices for all forms of paper.

Meeting to discuss prices of barrel hoops, staves, headings

Methods of stabilizing prices of wooden hoops, staves, and headings used in common barrels will be discussed at a meeting in New Orleans Saturday, December 6, between manufacturers and jobbers and officials of the OPA. Administrator Henderson announced December 1.

Discussions will be limited to materials used to make "slack" or nonliquid tight barrels and will deal only with slack staves of a "knifed" variety and slack headings other than nail keg heads. "Knifed" staves are split off from thin boards and shaped with a draw knife or planer. A meeting with the producers of sawn slack staves and nail keg headings will be called in the near future.

Ceilings on southern hardwood lumber to be studied at New Orleans meeting

Ceiling prices covering all lumber made from southern hardwoods will be discussed at a meeting in New Orleans December 5, between lumber producers, wholesalers, and exporters and officials of the Office of Price Administration, Administrator Henderson announced November 29.

Lumber manufactured from the following southern hardwoods will be included under the proposed ceiling: White and red oak; sap and red sweet gum; black gum, tupelo, yellow poplar, magnolia, beech, sycamore, maple, elm, cottonwood, willow, and blackberry.

"Disproportionate increases" noted

"A price schedule for southern hardwood lumber, a commodity of great industrial importance, has become necessary because disproportionate increases have occurred in the prices of items in great demand and there are indications that still higher prices are likely," Mr. Henderson stated. "One example of this is inflated prices at which some of the 'furniture' hardwoods, such as oak, poplar, and the gums, are selling. Effect of these high prices obviously is to increase the cost of making furniture. Establishment of ceiling prices for southern hardwood lumber will go far toward stabilizing furniture prices."

Direct invitations to attend the New Orleans meeting have been sent to a large number of southern hardwood producers, wholesalers and exporters. However, any person engaged in these activities is welcome to be present.

2 wastepaper dealers agree to refund charges above ceiling

Two large jobber-dealers in wastepaper, operating in Illinois, have signed stipulations for the refund of all amounts collected in excess of the maximum prices established by OPA in Price Schedule No. 30, Wastepaper Sold East of the Rocky Mountains, Administrator Henderson announced November 28.

This represents the first action taken by OPA to compel cash restitution by violators of the wastepaper price schedule, although refunds have been obtained from numerous dealers and brokers in iron and steel scrap, which also is under an OPA ceiling.

Additional evidence of violations has been accumulated against other members of both trades, Mr. Henderson stated, and compliance proceedings are under way.

Containers branch to work on folding, set-up boxes

The Office of Production Management announced November 25 that jurisdiction over the folding and set-up box industries has been transferred from the pulp and paper branch to the containers branch. William W. Fitzhugh has been appointed chief of this section, which covers folding cartons and boxes, set-up cartons and boxes, and paraffin cartons and pails.

Paperboard schedule amended to permit adding of duty

Duty on imports of paperboard from any foreign country may be added to the delivered price by buyers in the United States, even though this results in a total cost which exceeds the maximum established in the paperboard price schedule, according to an amendment announced November 29 by OPA Administrator Henderson.

In no event, however, the amendment stipulates, shall the delivered price exceed the ceiling prices set in the schedule, plus the actual amount of the import duty. Importers of paperboard are required to show the import duty as a separate charge in their invoice records.

The new amendment incorporates in the paperboard schedule the substance of a ruling announced by Mr. Henderson on October 11 with respect to imports of paperboard from Canada, the only foreign country from which such material is brought in. Canadian imports consist almost wholly of so-called "9 point" corrugating material. Domestic production of corrugated board in 1940 approximated 35,000,000,000 square feet and current estimates are that a very large increase will be necessary this year to satisfy the tremendous demand created by the defense program and greater activity of civilian industry. Imports of "9 point" corrugating material from Canada will play an important part in meeting this demand.
Prices of sash and door products made from Western pine stabilized pending study

Prices for doors, door frames, sash, window frames, and screens made of Western pine have been stabilized for the time being through a series of individual agreements with manufacturers representing about 80 percent of the pine sash and door industry, OPA Administrator Henderson announced November 29.

Pending investigation of industry

A formal ceiling price schedule for these products will be issued upon completion of an investigation of the industry now under way. The November 29 announcement of the individual agreements was made concurrently with the issuance of a schedule of maximum prices on Douglas fir doors. Taken together, the agreements and the schedule represent OPA's first direct action in the field of finished lumber products. Price ceilings previously have been imposed on Douglas fir plywood, Douglas fir lumber and Southern Pine lumber.

Agreed prices near level of last half of August

The agreed prices for Western pine products are around the levels quoted during the last two weeks in August, and for many items are under market prices prior to the agreement. Fir door prices are lowered by about 15 percent in today's new price schedule.

The agreements cover carload-lot sales of Western pine doors, door frames, sash, and window frames by manufacturers to dealers or jobbers. Schedules have been added by later informal agreement. Jobbers are to be entitled to the customary discounts and concessions off the list prices to dealers.

Minimum discounts listed

As in the case with Douglas fir doors, prices of Western pine products are quoted in terms of percentage discounts off the standard price list. The OPA agreements contain a list of minimum discounts (equivalent to maximum prices) for deliveries to dealers in the Chicago zone. Deliveries to other zones are to be adjusted on the basis of freight differentials recognized by the manufacturer prior to the agreement.

(Prices stated in terms of discounts from the standard list for carload lots delivered to dealers in the Chicago zone.)

<table>
<thead>
<tr>
<th>PANEL DOORS</th>
<th>Percent</th>
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<tbody>
<tr>
<td>4, 5 and 6 xp</td>
<td>54</td>
</tr>
<tr>
<td>1 and 2 panel, fir panels</td>
<td>56</td>
</tr>
<tr>
<td>W.P.P. panels</td>
<td>54</td>
</tr>
</tbody>
</table>

Manufacturers' prices of Douglas fir doors are cut about 15 percent by ceiling

Manufacturers' prices of Douglas fir doors, which represent about 60 percent of all doors manufactured in the United States, are reduced approximately 15 percent from current levels in a ceiling schedule issued November 29 by OPA Administrator Henderson. The schedule becomes effective December 10, 1941.

Production of Douglas fir doors is confined to the States of Oregon and Washington, where practically all Douglas fir timber originates. There are 14 manufacturers of Douglas fir doors.

Simultaneously with the issuance of the Douglas fir door schedule, Mr. Henderson announced agreements with manufacturers stabilizing prices of doors, door frames, sash and window frames made of Western pine. These agreements are temporary and will be superseded by a formal price schedule upon completion of an investigation of the industry now under way.

To save buyers $3,000,000 a year

Under stimulated demand resulting from the defense program, prices of Douglas fir doors have risen almost 40 percent in the past year. These price increases have substantially outstripped higher production costs. Maximum prices established by OPA are sufficiently high to encourage peak production and, at the same time, are calculated to save buyers of fir doors approximately $3,000,000 a year as compared with current prices.

Fir door prices are quoted in terms of discounts off a list price. Discounts as established in the schedule are 72 percent off for No. 1 doors; 73 percent off for No. 2 doors, mill-run doors, storm doors, and cupboard doors; and 74 percent off for No. 3 doors. These maximums compare with present prices based on discounts averaging between 68 and 70 percent for No. 1 doors, with other doors priced proportionately.

Apply only to manufacturers' prices

The new maximums apply only to manufacturers' prices. Dealers' and jobbers' prices are being watched closely and, if necessary, the schedule will be broadened to include those channels of distribution, Mr. Henderson said.

Sole exception to the discount method of quoting prices in the new schedule is the subsection dealing with garage doors. A basic maximum price of $8 a pair may be charged by manufacturers for these doors, f. o. b. factory.

The usual extras which have been charged by manufacturers over the past 3 years are retained in the schedule with respect to all types of doors, as also are the methods of quoting additions to price for transportation costs.
Carded cotton goods contracts made before July 21 tied to 15.99-cent “spot” price

Formal amendments to Price Schedules No. 33 (carded cotton yarn) and No. 35 (carded grey and colored-yarn cotton goods) to allow completion of deliveries under contracts made before July 21, 1941, at maximum prices corresponding to a “spot” cotton price of 15.99 cents a pound were issued November 26 by the Office of Price Administration.

Announcement that such amendments were being prepared was made November 7.

Prohibits adjustments at higher prices

The new amendments also specifically prohibit any modification or rewriting of a contract for cloth or yarn which would result in a price higher than the ceiling price applicable to the original contract or to deliveries against that contract. This restriction applies equally to contracts made before or after a particular ceiling price has been established. It prohibits sellers from taking advantage of any contract provisions that purport to give them the privilege of future adjustment to a price higher than the maximum price prevailing at the time the original contract was made.

Other revisions

In addition to the above revisions, which are now being incorporated in both schedules, a number of further changes are made in Price Schedule No. 35. These include:

1. Provision that various premiums and differentials newly established in that schedule may be charged with respect to deliveries against contracts closed before October 31, effective date of the schedule, and involving goods which were under ceiling prices prior to that date.

2. Conditions under which application may be made to OPA for permission to charge a premium for “specification” goods, i.e., cloth produced according to the buyer’s specifications, are extended to cover cases, where, because of special circumstances, the premiums allowable without application to OPA are claimed to be inadequate.

3. An addition is made to the table of maximum prices for chambrays and coverts to make it clear that cloths of weights other than those mentioned are to be priced, in proportion to weight, on the basis of the ceiling prices for the same cloth of the nearest weight.

4. The term “off loom” as applied to width and thread counts of all goods is eliminated from the section outlining cloth specifications required in sales contracts and invoices. As revised, this section calls upon sellers to state the actual width and thread of the cloth as delivered.

5. The “thread count” column of the table describing the types of cloth covered in the “sheeting yarn” group is eliminated, thus making it clear that maximum prices apply to all drills and four-end twills. 6. The tables covering the “sheeting yarn” group are amended to substitute “part-waste osnaburgs” for “osnaburgs.” Maximum prices established for osnaburgs were intended only to apply to that grade of cloth when made partly from waste cotton.

Changes retroactive

However, it was stated, studies are under way to include “clean” osnaburgs under the ceiling as soon as possible. In the meanwhile, OPA expects “clean” osnaburgs to sell at prices reflecting the normal differential between that cloth and the part-waste grade and in no event at prices higher than the ceiling for class A sheetings.

Except for the provision prohibiting the rewriting of contracts, all changes made by the new amendments are retroactive to October 6 or October 21, the respective effective dates of Schedules Nos. 33 and 35.

OPA suggests simple precautions in buying and caring for rayon garments, textiles

Conserving for defense extends even into the field of women’s and children’s frocks, according to reports from the staff of Miss Harriet Elliott, associate administrator of the Office of Price Administration and chief of the Consumer Division.

Silk shortages have resulted in the steadily increasing use of rayon in wearing apparel, draperies, and other household textiles. The sharpest increase in consumption is apparent in the hosiery industry. Since the defense program makes steady demands on producers of rayon yarns, any waste in civilian use is to be carefully avoided.

Buy rayon goods carefully

Consumers are urged to buy rayon goods carefully. If textiles or garments are to be washed, only those labeled “washable” should be purchased. “Washable” should mean that the colors are fast, and that the garment will not shrink out of fit. If no label is present, customers should demand such information from the retailer.

Most rayons except acetate may be washed and pressed in much the same way as silk. Flat, plain weaves such as those used in lingerie and many dress fabrics are usually washable. Luke-warm water, never hot, should be used, and mild, neutral soap flakes. The washing should be done with the absolute minimum of rough handling, excess water being squeezed out in the folds of a towel. Garments made of knitted, crepe, or novelty fabrics should be measured before cleaning or washing, dried flat on a towel, then gently eased back into shape.

All rayon garments should be ironed on the wrong side while damp, never allowed to dry first. The iron should be moved down the length of the garment, and a slight tension exerted to restore the original size. Acetate rayon requires special care. It demands exceedingly careful ironing, since it may become shiny or even melt if the iron is too hot.

Some must not be washed

Some fabrics of rayon, or of rayon in combination with other yarns, must not be washed. Labels should indicate this fact, or it should be ascertained from the dealer. It is a safe practice to wash fabrics only when labels or instructions indicate that such is the usual method of cleaning. Otherwise, the garments should be dry-cleaned. Certain cleaning solvents, as well as nail polish and polish remover, dissolve acetate rayon and should not come in contact with it. Crepes and loosely woven fabrics, pleated and ruffled garments usually require dry-cleaning.

Garments should be properly labelled

When a garment is made of a fabric combining rayon and other yarns, the label should indicate this fact. The law requires this in the case of wool. Such fabric should be treated as the most delicate fibre in them requires. Information about preshrinking should also appear on the label, or be requested from the dealer.

These simple precautions in buying and caring for rayon garments and household textiles will increase their life and usefulness.
Defense News for Consumers

Labor Consumer Committee

Formation of consumer committees by labor union locals and by city-wide union councils to keep an eye on the cost of living in their localities was urged last week by Miss Harriet Elliott, Associate Administrator of the Office of Price Administration in charge of the Consumer Division.

Miss Elliott's announcement came as an endorsement of the consumer program adopted by the CIO Women's Auxiliary at the national convention in Detroit, and the action taken recently by the Textile Workers Union of America to organize a Cost of Living Committee in each of the 600 locals of the national union.

"The two functions of earning money and spending money must be recognized," Miss Elliott said, "as a decent standard of living to be maintained. But during this period of rising prices, the consumer function takes on an added significance. Rising prices are now cutting wages just as surely as if they were cut before they were put into the pay envelope."

"The labor movement of America can do a great deal through its already well-organized channels to maintain and raise the standard of living of the American worker by checking prices and disseminating sorely needed information on the wise buying and conserving of goods."

Auxiliary Adopts Extensive Program

The consumer program adopted by the CIO Women's Auxiliary, representing 700 locals, includes the following points:

1. Creation of a consumer committee in every local auxiliary and in every local parent union.
2. Contact all other consumer groups in the community.
3. Write to the Consumer Division of OPA and the Consumer Council of the Department of Agriculture for literature and speakers.
5. Develop consumer program around local needs and problems stressing rents, food, milk, and clothing costs.
6. Arrange conferences and meetings on consumer problems and set up study groups on classes for leaders.
7. Set up Consumer Information Corners in each union headquarters and work for the establishment of community-wide Consumer Information Centers under the sponsorship of local defense councils.
8. Campaign for extension of educational work on grading, labeling, and better buying.
10. Support Federal Price Control Bill; check local ordinances affecting the consumer; oppose trade barriers; work for the repeal of laws harmful to the consumer.

An increasing number of labor representatives, from the ranks of both the CIO and AFL, are taking an active part in the work of various city-wide consumer committees. It is indicated by reports reaching the Consumer Division.

In Akron, Ohio, A. J. Freckel, of the Steampipers' Union, is chairman of the consumer committee and Frank Grillo, national secretary-treasurer of the United Rubber Workers, is secretary.

In Salt Lake City, Utah, M. I. Thompson, editor and publisher of the Utah Labor Herald, and a member of the Typographical Union, was appointed chairman of the consumer committee of that city's defense council. He is the first labor editor to receive such an appointment.

In Newark, Carl Holderman, regional director of the Textile Workers Union of America, recently assumed the position of chairman of the Newark Defense Council's consumer interest committee.

In Philadelphia, the consumer committee of the defense council is an outgrowth of a city-wide consumer council sponsored originally by the Joint Board of the Amalgamated Clothing Workers. On the committee, representing labor, is Merlin D. Bishop, educational director of the Amalgamated.

On the advisory committee on consumer affairs to the Pennsylvania Defense Council are James McDevitt, president of the State Federation of Labor, and John Phillips, president of the State Industrial Union.

Some Independent Committees

In some cities, consumer committees have been formed independent of the local defense council to take action in the consumers' interests. Labor is also playing an important role in many of these.

In Detroit, for instance, Arthur Elder of the American Federation of Teachers, and Ben Kome of the State Industrial Council are members of the Greater Detroit Consumers Council, which this summer waged an effective campaign against increases in the price of milk. In Lawrence, Mass., the Textile Workers Union of America has been waging an effective fight against rents rises it considers unwarranted. And in West Virginia, labor's unions gave full support to the formation by Governor Neely of a State-wide Anti-Profiteering Committee.

Labor unions, in addition to carrying on action programs, are also conducting consumer education courses for their membership. Notable among these are the International Ladies' Garment Workers Union, the United Automobile Workers Union of America, the American Federation of Hosiery Workers, and the United Office and Professional Workers.

The Student's Role

A series of educational programs to acquaint students with their role as consumers in the present emergency is being organized jointly by the Consumer Division, OPA, and school authorities throughout the country.

The first of these programs will be initiated simultaneously this week at Skidmore College, Saratoga Springs, N. Y., and at Miner Teachers College, Washington, D. C.

Beginning on December 7 and continuing on a campus-wide basis for the rest of the week, the "Consumer Week" program at Skidmore will open with an address on "The Role of the College Woman in National Defense," by a representative of the Consumer Division's college unit.

Throughout the week there will be a series of round table discussions dealing with the defense program as it relates to consumer problems, including a special panel on "Price Control" and "The College Girl as a Consumer." Each meeting will be under the sponsorship of a different department within the college. A special issue of the campus newspaper will contain articles of consumer interest and on specific aspects of the "Consumer Week" program.

The program will close on December 12 with a style show prepared by the college's Department of Home Economics, at which clothes will be judged for their durability, economy and adaptability, as well as for style.

On "Consumer Day" at Miner Teachers College, on December 3, consumer exhibits will be displayed, and an assembly featuring a panel of students, faculty members and representatives from the Consumer Division will be held. After the panel discussion on the general topic of "The College Consumer and Defense," a campus consumer-committee of faculty members and students will be formed to carry on continuous consumer activities in the school throughout the year.

A similar consumer-and-defense program is schedule for Vassar College, Poughkeepsie, N. Y., where plans call for the display of a consumer exhibit in the college's permanent Social Museum.

December 2, 1941
Installment buying restrictions have helped prevent inflation, OPA expert says

Installment buying restrictions imposed by the Federal Reserve Board on September 1 already have contributed importantly to the Government’s efforts to prevent inflation, Rolf Nugent, consumer credit expert of the Russell Sage Foundation and special adviser to the Office of Price Administration, said in a speech November 25 before the Chicago chapter of the American Statistical Association.

Same effect as taxes

“Throughout the year 1940 and the first 8 months of 1941 consumer credit expanded at a rate of about 1.2 billion dollars a year,” Dr. Nugent said. “After September 1, when the Federal Reserve Board’s regulations became effective, this trend was reversed. While accurate estimates are not yet possible, the information presently available to us suggests that consumer credit is now liquidating at a rate of about 2 billion dollars a year.

“The effects of installment credit restrictions on this scale are similar to those of a 3.2 billion dollar increase in taxes,” Dr. Nugent stated. “Since this figure approximates the estimated increase in tax revenues during the current fiscal year, it can be said that consumer credit control is contributing as much as the new Federal tax law to the battle against inflation.”

Buy less goods competing with defense

The speaker pointed out that installment buying restrictions have distinct advantages as supplementary weapons of monetary policy under an emergency economy. The primary effect of these restrictions can be directed against goods that compete with defense weapons for scarce materials and skills. Further, consumer credit control imposes a more even pressure upon demand than present methods of tax collection.

“Expansion of consumer credit, such as took place up to September 1, enlarged consumers’ purchasing power and added to the inflationary effects of armament expenditures. Reversal of this trend is offsetting in part our Government’s spending by diverting incomes that would otherwise be spent for goods and services to the repayment of personal obligations. This change has played an important part in leveling off the recent upsurge of retail sales and in relieving to some extent the upward pressure on the price level,” Dr. Nugent concluded.

Plans Suspended for Furniture Ceiling

Plans for the issuance of a schedule establishing maximum prices on household furniture made of wood have been suspended for the present, OPA Administrator Henderson announced November 27.

The administrator said that since November 10, when OPA first disclosed that a furniture price ceiling was being prepared, conditions in the furniture market have undergone a change. The upward trend in prices has leveled off and there appears to be little likelihood at present of further increases. Postponement of ceiling action will enable manufacturers to proceed with their plans for the January market.

“The next critical point in the furniture price situation will occur at the January market when new models will be introduced,” Mr. Henderson said. “In the meanwhile, furniture prices will be watched closely by my office. Should it become apparent that resumption of the upward trend is imminent, a maximum price schedule will be issued based on the price level prevailing at the November markets.”

OPA Considers

Hide Glue Ceiling

Inflationary price advances have developed in hide glue and hide glue stock, and the Office of Price Administration is considering the imposition of maximum prices below current levels. Leon Henderson, administrator, announced November 28.

Representatives of hide glue manufacturers, sellers, and tanners have been invited to attend a meeting in Washington December 3 to discuss the price situation. Any sellers of hide glue who have not received direct invitations to the meeting will be welcome, it was stated.

Hide glue is prepared from the trimmings and waste recovered from hides by packers and tanners. It is sold in solid form, usually in sheets or in powder, and, when reduced to liquid form by the addition of water, forms the basis for common household glue. Its industrial uses, however, are far more important. Hide glue is the adhesive used in paper-backed abrasives; it plays a part in munition wadings and casings; holds together most types of wood furniture and plywood; and contributes to the gloss, body, and “waterproofness” of coated paper. Gummed paper tape, widely used to seal packages, boxes and cartons, is made with hide glue.

OPA explains scope of request on petroleum

Scope of the request made to members of the petroleum industry by OPA on November 7 to maintain prices prevailing on that date was clarified in letters sent out November 29 by Leon Henderson, administrator.

The letter explains in detail the products on which proposed price increases were presented to OPA, the branches of the industry covered in the request, and circumstances surrounding price advances and action to be taken to secure the approval of OPA.

Products on which proposed price increases must be presented to OPA, the letter states, include crude petroleum, all grades of gasoline, kerosene, including range oil and stove oil, distillate fuel oils, residual fuel oils, asphalts, lubricating oils, including motor oils and stock oils (neutrals, bright stocks, steam refined oils, etc.) Excluded for the time being are industrial lubricating oils, greases, compounded oils, specialty products, services, etc.

Retail outlets included

Among branches of the industry included in the request are crude oil producers, crude oil purchasers, and marketers. The latter category includes integrated companies, nonintegrated companies, terminal operators, jobbers, peddlers, service station operations and all other retail outlets.

It is explained further, in the letter sent out November 29, that prices may be reduced below the November 7 level to meet competition and that they may subsequently be raised at that level to follow competition without notifying OPA. In cases where markets were subnormal prior to November 7, as result of price wars or other reasons, approval must be secured before raising prices.

Other matters explained in the letter include a description of data which must be presented to justify price advances, the conditions on which contracts may be renewed or new contracts entered into, and changes in marketing practices.
PRODUCTION...
American and British plane production rapidly forging ahead of Axis, says Meigs

On radio time donated by the Firestone Tire and Rubber Co. each week to the Office for Emergency Management, George Hicks, the evening of November 3, interviewed Merrill C. Meigs, chief of the aircraft branch of the Office of Production Management. Mr. Meigs had recently flown to England in one of the new American bombers.

Excerpts from the broadcast follow:

Q. Am I right—your special branch has to do with airplane manufacture?
A. That's right. We're a sort of general overseer—perhaps I'd better say adviser—representing the defense program. Our job is to supplement the work of the Army and Navy in production—help plan airplane models, help get them into the factory and out of the factory again and in the air where they belong.

Q. I see. I imagine there is a lot of work—and a few gray hairs—involved in that simple statement, "Get them into the air."
A. Well, as far as gray hair is concerned, I started with a few when I took over this job. I can't blame it on aircraft production. But you're right. There's considerable work involved in getting a plane in the air. Not all of it thrilling, either, unless you consider the men who sit at drafting boards all night through the idea of the amount of paper work alone.

Q. No, I'm afraid not. That's the beginning of the bomber, isn't it?
A. The blueprints, yes. Sometimes 10,000 of those drawings of different parts are required before a wheel turns. Multiply that by thousands and you get some idea of the amount of paper work alone.

Q. I don't think I'll even try that one, Mr. Meigs. I imagine you won't want to give out confidential figures over the air. But speaking generally, how are we doing on this production program?
A. Roughly, our production of airplanes has quadrupled within a year.

Q. I wondered. The public gets various figures from time to time—sometimes they seem to conflict.

Big advance over last January
A. They're bound to. It depends on who is doing the talking. There's an old saying that figures don't lie, but liars can figure. You can take the production figures on planes and make it sound like very little if you forget to say the planes are four-motor bombers. The fairest way to figure plane production is in tonnage and for engines, horsepower. I can tell you that the engine plants are delivering a total of over 4 million horsepower a month—a tremendous advance over last January.

Forging ahead of Axis powers
Q. That's interesting. Can you tell how that compares with the output of the Axis powers?
A. I've had a good many figures of Axis production and no two agree. Sometimes I think the boys overseas ought to get together on their stories.

Q. You mean the Axis propagandists?
A. Exactly. But from what I know of their productive capacity and figures picked up here and there, it is my opinion—and others agree with me—that the combined American, Canadian, and British production is forging rapidly ahead of those other powers now.

Can't produce planes like autos
Q. In other words, we're getting into our stride for those 50,000 planes. How is it that a country like ours that can produce 5 million automobiles a year finds it such a job to turn out one-hundredth that number of airplanes?
A. First, let me point out that it took 25 years to perfect the technique of automobile assembly, whereas it is only little over a year since we went into real quantity production of airplanes.

Q. Still isn't the manufacture of planes pretty much like automobiles?

Plane engine a tailor-made job
A. No, there is very little similarity. For one thing, a light bomber weighs up to 20,000 pounds as against 2,000 for a light automobile—a difference of 10 times as much. Then, again, the engines can't be turned out on an automobile assembly line geared for speed. The plane engine is put together with a precision that would make an ordinary assembly line worker feel like a watchmaker. The plane engine is practically a tailor-made job.

Q. That makes a difference, I can see.
A. A difference in the type and size of engine and in time. It takes 5 months to get those engine parts ready for assembly. Then take the thousands of man-hours—7,500 about—to put together an air frame as against 30 hours for a V-8 Ford body. On top of that thousands of inspections and checking up before we're ready to let a pilot bet his life on that workmanship.

Q. You mean you can't make use of the automobile industry?
A. Oh, yes we can—and we do. Most of what we're doing is based on the experience America gained from building cars—and that's where we get our thousands of highly skilled mechanics. We're using assembly lines in our new airplane factories, too, but they're different from the automobile assembly lines. We're speeding up now in putting out the best combat planes in the world.

Planes give good performance
Q. Speaking about quality, how do the British like these planes we're sending over, Mr. Meigs?
A. Not only the British pilots, but their commanders are enthusiastic about the performance of our planes. I talked to a good many men in combat service when I was over there recently. The pilots are familiar with the planes and like them—the Beaufighters and the Lockheeds, Martin, and Douglas bombers—plus those big four-motor bomber jobs—are doing a job.

Q. Probably the pilots like them better than Mr. Hitler does.
A. I imagine so. They've made a good many successful raids far into Germany.

Meigs flew to England
Q. By the way, you spoke of a trip to England. Did you fly in one of our bombers?

Q. You'll admit that must have been pretty thrilling.
A. It was an experience I would take more time than I've got now to describe. I've done some flying in my time but a trans-Atlantic flight in a bomber tops it all. To the men who take those great bombers across, though, it was an old story.

Q. Did you have any difficulty?
A. Not with a plane and crew like that. As an example of navigation even with blind flying, our pilot came down out of the clouds within 400 yards of our destination.

Q. That's not bad shooting for a range
of 2,000 miles. How long did the trip take, Mr. Meigs?
A. Ten hours. It’s been done in less, of course—7 or 8.
Q. H-mmm. That brings it sort of close to home, doesn’t it? I suppose an enemy bomber could do it fairly close to that.
A. Not impossible. The answer is to have more planes to fight off an enemy bomber—and, incidentally, a civilian Aircraft Warning Service operating smoothly.

Trying out new types all the time
Q. Well, it looks as if you’re helping to furnish the planes anyway. What about future developments, Mr. Meigs? Do you have any idea there will be drastic changes in types of aircraft?
A. That’s hard to foresee. Naturally, we’re going ahead experimenting and developing. We keep the test pilots busy trying out new types all the time. You just can’t stop. Nobody knows what the other fellow has up his sleeve until he reaches for it. Higher speed, greater distance, higher altitude, more fire power—we’ve got to outguess him and be ahead of him all the time.
Q. You mean ready to call his bluff or raise him.
A. Or both. Our job of plane production is the biggest job an industry ever tackled—any industry in any country ever tackled. Since the Wright Brothers flew that first plane, the United States has produced, all told, 75,000 planes. We are asked to produce within 1 year two-thirds as many planes as this country produced in 37 years. That is like asking the automobile industry to produce 53 million complete, modern cars in 1 year. And we’ve not only promised to supply our armed forces with that stupendous number of planes, but planes that will be better than any produced anywhere in the world.
Q. Can we go through with that, Mr. Meigs?
A. We can—and we will.

* * *

Lieut. Col. Dillon appointed for liaison with OPM

Lieut. Col. Leo J. Dillon, Ordnance Department, has been assigned as liaison officer between the documentation branch of the Office of the Under Secretary of War and the Bureau of Research and Statistics of the Office of Production Management, and also as liaison officer with the ordnance branch of the Production Division of OPM.
Defense contracts for $3,157,000 relieve priorities unemployment in 10 areas

Defense contracts totaling $31,577,090 have been awarded by the Army and Navy in areas where the OPM has found shortages of materials for nondefense work causing grave unemployment, Peter R. Nehemkis, Jr., special assistant in OPM's Contract Distribution Division, said November 26.

Nehemkis enumerated the contracts in a statement prepared for delivery at St. Louis, Mo., before the House Committee investigating national defense migration. He appeared before the committee as the representative of Floyd R. Odlum, director of the Contract Distribution Division.

More than 75 plants certified

Explaining the system by which the Contract Distribution Division and the Labor Division of OPM certify distressed areas and industries to the armed services for special consideration in the placement of defense work, Nehemkis said that 10 areas, including more than 75 plants, and 1 entire industry had been so certified.

"Under study at the present time," he added, "are some 100 areas which face potential distress from priorities unemployment."

The following report of certifications and contract awards was placed before the House Committee:

**FAYETTEVILLE, IND. (certified 10-7-41)**

*Wm. R. Roots Co.: Navy ordnance reports placing award for bombs, approximately $557,000.00*

*Calvalier Garment Co.: Army, 34,750.00*

*Sunbeam Electric Co.: Army, 360,000.00*

*Corvel Co.: Army, 45,100.00*

*R. Boots Stove Co.: Army, 148,346.00*

*American Fork & Hoe Co.: Army, 560.70*

*American Fork & Hoe Co. (sledges): Army, 497.00*

*American Fork & Hoe Co. (sledges): Army, 1,022.28*

*Crescent Stove Works: Army, 196,938.90*

**GREENVILLE, Mich. (certified 10-20-41)**

*Gibson Electric Co.: Army, $839,816.00*

*Esteefton, Ga. (certified 10-20-41) (under negotiation)**

**MANCHESTER, Ohio (certified 10-20-41)**

*Westinghouse Electric Co.: Army, 42,926,450.00*

*Westinghouse Electric Co.: Army, 8,783,543.00*

*Westinghouse Electric Co.: Army, 2,516.92*

*Ohio Brass Co.: Navy, 240,000.00*

*Ohio Brass Co.: Army, 120,000.00*

*Hughes Knitting Co. (subcontract by Navy), 45,000.00*

*Frost Co.: Army, 886,000.00*

*American Fork & Hoe Co.: Army, 1,035.00*

*George Gorton Machine Co.: Army, 3,213.00*

*Chicago Rubber Clothing Co.: Army, 1,657.42*

*Peter Pirsch & Sons Co.: Army QMC, 4,762.50*

*Jacobson Manufacturing Co.: Army, 5,528.00*

*Jacobson Manufacturing Co.: Army, 60,802.00*

*Simmons Bed Co.: Army, 3,213.00*

*American Auto Pelt Co.: Army, 3,000.00*

*Nash-Kelvinator Corporation: Army, 678,950.00*

*Weber Electric Co.: Army, 149,000.00*

*Webster Electric Co.: Army, 98,891.00*

*Frost Co.: Army, 985,000.00*

*Walker Manufacturing Co.: Inc: Army, 97,850.00*

*J. I. Case Co.: Army, 261,562.00*

**MINNEAPOLIS, Pa. (certified 10-4-41)**

*Talon, Inc.: Army, 8,675.00*

*Wagner-Jones Electric Co.: Army, 9,814.00*

*Apex Electric Manufacturing Co.: Cleveland, Ohio, 241,500.00*

*Easy Washer Co.: Syracuse, N. Y., 1,661,397.01*

*Nash-Kelvinator Co.: Army, 678,950.00*

*American Seating Co.: Army, 2,520.00*

*Grand Rapids Varnish Corp.: Army, 61,053.04*

*American Seating Co.: Army, 2,520.00*

*Oliver Machine Co.: Army, 850.00*

*Globe Knitting Works: Army, 1,026,000.00*

*Brother & Hood Corporation: Army, 10,428.00*

*American Auto Pelt Corporation: Army, 150,200.00*

*Gallemeyer & Livingston Co.: Army, 9,814.00*

*Gallemeyer & Livingston Co.: Army, 2,306.00*

*Plants unknown: Navy, 9,725.00*

The total of all the foregoing contracts awarded to certified areas is $31,577,090.00.

Certification is joint undertaking

"The certification of communities or industries is the joint undertaking of the priorities branch of the Labor Division (OPM) and the Division of Contract Distribution," Nehemkis said. "At the request of the priorities branch of the Labor Division or upon its own initiative, community surveys are made by the Bureau of Employment Security. The completed surveys are transmitted to the priorities branch. If the community is certified, the priorities branch transmits copies of the community survey to the Division of Contract Distribution together with a letter of certification. Through its engineering and technical staff, the Division of Contract Distribution analyzes the defense potential of the plants or industries involved and recommends a remedial program to the armed services."

In October, he told the committee, the Contract Distribution Division's branch offices arranged a total of 538 prime contracts and 1,615 subcontracts, totaling $178,658,529, as compared with $139,700,000 in September and $97,000,000 in August.

Conversion for defense is main problem

Nehemkis said the development of programs for the conversion of plants and industries from civilian to defense production was paramount among the division's responsibilities; and that this problem was complicated by the fact that, although conversions take time, plants have already begun to shut down for lack of materials for nondefense production.

"No one can predict with any degree of accuracy the trend of 'priorities unemployment,'" he continued. "Some estimates indicate an unemployment of 2,000,000; others believe the figure will run even larger."

"For a considerable sector of business there would appear to be no other alternatives except to convert or perish."

"Moreover, because we have been late
in drawing our blueprints for the large-
scale conversion of heavy and light in-
dustry, there is bound to be a certain
amount of suffering. What must be
done will now have to be undertaken
under far more adverse conditions and
with greater hardships than if we had
our master blueprints ready."

Financing report under way

Reporting that 40 percent of defense
subcontractors have a submarginal credit
rating and would therefore experience
difficulties in obtaining credit from nor-
mall banking channels, Nehemkis said:

"The division is now preparing a com-
prehensive report on the entire problem
of financing and conversations are now
taking place between representatives of
the division and governmental officials
and private banking executives to the
end that a practical, remedial program
may be evolved."

New legislation drafted

He said that Director Odium had been
convinced that legislation was essential
to overcome certain legal impediments
which stood in the way of the armed serv-
ices carrying out the terms of the Exec-
utive order establishing his division and
directing it to help small business par-
ticipate more fully in the defense
program.

"Existing legislation, for example,
makes it impossible for the Navy to award
a regional contract if there is a respon-
sible low bid from outside the region," Nehemkis said. "Further, bonding re-
quirements have also served as a deter-
rent to the participation of the smaller
enterprises despite the fact that the
armed services have endeavored to the
fullest extent possible to liberalize their
requirements."

A draft of new legislation is now before
the Bureau of the Budget, he added, for
approval prior to its submission to the
Congress.

Nondefense facilities being inventoried

Nehemkis said the division had records
regarding the facilities of some 40,000
manufacturing plants but that these re-
presented "only a fraction of the vast sea
of available but unused plant and tool
capacity of America."

"We have yet to learn the extent of our
potential producing power," he con-
tinued. "Accordingly, we are undertaking
in every part of the Nation an inventory
of facilities not being used for defense
work."

Declaring that spreading defense work
would have to be done on a "hit or miss"
basis until "shopping lists" of all the mil-
itary items required but not yet ordered
were available, he said that such lists are
now in preparation.

Special tour yields information

Nehemkis gave some initial reports
from the three special trains now touring
the country with samples of needed de-
finite equipment and parts.

During the first 5 days of the trains'
operations, he said, 7,490 manufacturers
visited the specials to inspect the various
military items. At Wilmington, Del., for
example, the Navy Bureau of Aeronautics
found 17 sources of supplies for which
difficulties had developed, he added; and
as a result of the visit to Providence, R. I.,
it appeared likely that from 4,000 to 6,000
jewelry workers' jobs might be saved by
employment on the fabrication of heavy
needles and aircraft tie rods for the
Navy.

Muskegon, Mich., facing severe unemployment
certified to War, Navy, for defense orders

The Office of Production Management
recommended November 27 to the War
and Navy Departments that additional
defense orders requiring a minimum of
2,250,000 man-hours of work be placed in
the Muskegon, Mich., area as soon as
possible.

This recommendation was based on in-
vestigations by the Labor Division and
the Contract Distribution Division as to
unemployment in the area and on a study
by the Contract Distribution Division as
to the area's defense production potential.

Certified to War and Navy Departments

As a result of these inquiries, the OPM
recommended Muskegon to the War and Navy
Departments as an area facing severe un-
employment due to shortages of mate-
rials for nondefense production. Quali-
fied plants in areas so certified are enti-
tled to special consideration in the
placing of defense work, under procedure
agreed to by the OPM and the armed
services to relieve distress and prevent
dispersal of working forces useful to the
defense program.

The certification said that labor dis-
placement in the area due to lack of ma-
terials for nondefense work might run as
high as 5,400 workers by the end of
November.

The urban area of Muskegon includes
Muskegon Heights and North Muskegon,
with a total 1940 population of 65,438 and
a total employment of about 23,600.

Further reductions in prospect

Data on 50 manufacturing establish-
ments in the area which employed 22,619
persons in August 1941 showed that their
employment had declined to 18,937 dur-
ing October and that further reductions
were in prospect.

Concerns associated with the automo-
tive industry normally account for 40
percent of the employment in the area.

It was estimated that employment in
these firms would decline from 9,176 in
August to 7,005 on December 31 unless
remedial steps were taken.

Contracts recommended for area

To prevent unemployment and to util-
ize the community's productive facilities,
the OPM recommended that the War and
Navy Departments give consideration to
the placing of contracts, "to the extent
practicable and in accordance with good
manufacturing practice," to firms in the
area with suitable facilities.

The OPM recommended that attention
be given to awards involving, among
many other items, airplane, tank, tractor,
and truck engines; bomb flares; gun
mounts and turrets; tank treads; gas
mask parts, and airplane instrument
panels.

Attention was recommended also to
awards involving metal stamping, form-
ing, punching, and welding; woodworking;
painting; grey iron, steel, or semi-
steel castings up to 1,000 pounds; the
moulding of plastic materials; and as-
sembly of various items.
Odlum names Alex Taub
to direct conversion of
factories to defense work

Alex Taub, Pontiac, Mich., engineer, who served on the British Mechanization
Board for trucks, tanks, and engines in 1939 and 1940, November 27 was ap-
pointed by Floyd B. Odlum, Director of the Contract Distribution Division of OPM,
to be chief of the division’s conversion section.

Mr. Taub will direct the development and execution of programs for the con-
version of additional industries from nondefense to defense production.

Served with Hillman

He has served with OPM since July
1941, when he became chief technical consultant of the automotive branch to
assist in shifting more of the automobile industry’s facilities from passenger car
to defense production. Associate Director General Hillman later designated him
as a special consultant to assist on technical problems involved in the program
to spread defense work and alleviate the effects of unemployment caused by short-
ages of materials for nondefense work.

A native of England, Mr. Taub has been
a naturalized United States citizen since
1920. He started as a machinist in an
tomobile plant in 1908, served as
draftsman in the Ford Motor Co. and as
designer at the Packard Motor Co.
From 1917 to 1936, he held various engi-
nearing positions with General Motors and
was in charge of the central office on
engineering for General Motors from
1920.

★ ★ ★

New field offices opened
to help manufacturers

Opening of three additional field offices to help qualified manufacturers obtain
defense work was announced last week by the Contract Distribution Division of OPM, bringing above 70 the total number of such offices now operated by the divi-
sion.

The new offices and their addresses are:

- Evansville, Ind.—Coenig Building, 112 North West Fourth Street.
- Miami, Fla.—514 Congress Building, Toledo, Ohio—518 Spitzer Building.

TRANSPORTATION . . .
October truck freight set new record,
report to Commissioner Budd reveals

Following a normal seasonal trend, the
volume of revenue freight transported by
motor truck in October increased 6.9 per-
cent over September to reach a new all-
time peak, according to a report furnished
Ralph Budd, Transportation Commis-
sioner, by the American Trucking Asso-
ciations. The October volume repre-
sented an increase of 19.9 percent over
October 1940.

Comparable reports were received from
201 motor carriers in 38 States. The re-
porting carriers transported an aggregate
of 1,699,423 tons in October, as against
1,586,389 tons in September, and 1,414,-
910 tons in October 1940.

Almost 85 percent general freight

Almost 85 percent of all tonnage trans-
ported in the month was reported by
carriers of general freight. The volume
in this category increased 8.2 percent over
September, and 22.0 percent over Oc-
tober of the previous year.

Transporters of petroleum products, accounting for almost 6 percent of the

Shreveport, La.—616 Giddens Lane
Building, Milan and Marshall Streets.

Manufacturers in and around these
cities are invited to take or send to the
new Contract Distribution Division offices information as to the equipment of their
plants and the types of products they
now make or have made in the past.
Owners of factories qualified to do de-
fense work will be given engineering as-
sistance and directed to the Government procurement offices or to defense con-
tractors who have defense work that they
might do.

Terry and Lind in Ohio

The division also announced the ap-
pointment of Charles Terry to be State
director of its field organization in Ohio
and Herman Lind to be chairman of the
State Advisory Committee of Ohio. The
advisory committee will consult and
advise with Mr. Terry.

Both Mr. Terry and Mr. Lind have been
with the Cleveland office of the Contract
Distribution Division previously in dif-
ferent capacities.

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HOLIDAY AND COAL STRIKE
REDUCE CARLOADINGS

Revenue freight carloadings for the
week ended November 22 totaled 799,286
5ars, an increase of 9.0 percent over the
previous week in 1940 when load-
ings totaled 733,486 cars, but a decrease of
84,453 under the previous week when load-
ings totaled 883,389 cars. The more
than seasonal decrease was due to the
Thanksgiving holiday and the loss in
coal production.

The details follow:

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<th>CARLOADINGS—WEEK ENDED</th>
<th>1941</th>
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| Grain and grain prod-
ucts                   | 81,322 | 73,127 | 11 |
| Livestock              | 13,061 | 15,815 | 18.6 |
| Coke                   | 130,263 | 141,058 | 8.3 |
| Coal                   | 33,598 | 32,290 | 4.6 |
| Forest products        | 30,725 | 30,683 | 1.3 |
| Iron                   | 9,270 | 9,305 | 0.3 |
| Merchandise, tot.      | 141,277 | 140,214 | 0.7 |
| Miscellaneous          | 308,770 | 306,603 | 0.8 |
| Total                  | 799,286 | 733,486 | 9 |
| Cumulative—(7 weeks)  | 53,572,514 | 52,951,414 | 1.1 |

1 Decrease.
Budd reviews 18 months of transportation for defense, regards future


Excerpts follow:

Defense organization has undergone a metamorphosis since the summer of 1949 which is a story of repeated expansion of the program time and time again, and the adoption of Lend-Lease by which we extend aid to foes of Nazi aggression. Material shortages have developed from which came the necessity for more governmental supervision over our economy in the form of priorities favoring defense production and restriction in nondefense fields.

How demands were met

Up to the present time, the internal transportation agencies of the country have met the demands upon their services. Many times the question has been asked why this is so. Particularly is the query made by those who recall the transportation difficulties during the World War. There is no single answer but a series of facts are of more or less equal importance in the final result.

We entered upon the defense program with a surplus of transportation facilities taken as a whole. The years since the World War had witnessed phenomenal improvements in our highway system, and extensions of pipe lines for moving petroleum, petroleum products and natural gas (the latter replacing a heavy tonnage of coal which formerly moved on the railroads); rivers and canals were modernized and commercial operations upon them increased.

While the railroads had, by reason of long-continued business depression and the loss of traffic to other agencies, reduced their supply of cars and locomotives, they still had more than were needed for the traffic then being handled. The railways, moreover, had spent more than 9 billions of dollars since 1923 in improving their properties and their capacity per unit had been greatly enlarged. What is perhaps equally important, they had the benefit of the experience in the War and knew how to prevent congestions such as then occurred.

Defense traffic is like civilian

Another consideration is that transportation for defense has been quite like that for ordinary civilian purposes. Extensive retooling and adjustments had to be carried out to make manufacturing plants suitable for defense work and in many instances, as with ordnance particularly, entire new plants constructed; but the products of these plants, when offered for shipment, are handled generally with the same equipment and in the same trains, trucks, boats or barges, as other traffic. . .

Whatever may be the ultimate outcome so far as transportation and National Defense are concerned, the history of our defense effort when it is finally written will show that for the first year and a half, the transportation demands were met without serious shortages.

Some tasks too great

I have said before, and will repeat that it would be rash to assert that the transportation industry can handle any load which might be put upon it. For example, the present railroad facilities could not take on all of the oil and gasoline movement which is handled by tank ships from the Gulf to the Atlantic Coast States; they could not now take on the tremendous ore volume which the lake boats handle, or all the coastwise coal movement from Hampton Roads to New England.

On the other hand, the railroads have handled without difficulty a considerable volume of transcontinental traffic which formerly moved by boat through the Panama Canal, and they are assisting in meeting the deficiency in oil transportation caused by the diversion of tankers from the Gulf-East Coast service. During the early part of October about 150,000 barrels daily of oil and products were moved into the East by rail where a short time ago none was so moved.

Future volume uncertain

What direction the graph of carloadings will take in the future is of paramount importance. Our interest in it is because we need to know the amount of transportation for which provision should be made. Unfortunately, there is no way of determining with any degree of accuracy whether the graph will continue to rise, and for 1942 will be as far above 1941 as 1941 has been above 1940, or whether the leveling off process which has taken place during the last few weeks will persist for some considerable time.

Forecasts have been made by the Bu-
PURCHASES...

$197,816,951 War Department contracts awarded November 20 to November 26

Defense contracts totaling $197,816,951 were awarded by the War Department and Maritime Commission and cleared by the Division of Purchases, Office of Production Management during the period November 20 to 26, inclusive. Of this total Army contracts amounted to $186,796,951, as compared with $60,047,676 for the previous week. Maritime Commission contracts for the latest period amounted to $11,020,000.

Construction contracts during the period amounted to $27,040,146, ordnance $2,769,000, equipment and supplies $25,102,924, and ships $2,553,360. Army contracts amounted to $278,000.

ORDNANCE


Union Fork & Hoe Co., Columbus, Ohio; binoculars; $2,826,000.

American Type Pounders, Inc., Elizabeth, N. J.; parts for guns; $715,043.81.

General Motors Corporation, Olds Motor Works Division, Lansing, Mich.; guns; $2,768,000.

Bausch & Lomb Optical Co., Rochester, N. Y.; range finders; $1,597,759.15.

Eastman Kodak Co., Rochester, N. Y.; range finders; $1,966,124.

Firestone Steel Products Co., Akron, Ohio; metallic belt links; $2,002,000.

National Stamping Co., Detroit, Mich.; metallic belt links; $2,258,100.


Gevaire Automatic Machines Co., Cleveland, Ohio; machines; $852,440.

Chain Belt Co., Milwaukee, Wis.; guns; $3,296,100.

Chicago Flexible Shaft Co., Chicago, Ill.; feed mechanisms; $656,988.

Munitions Mfg. Corporation, Poughkeepsie, N. Y.; guns; $4,500,000.

Duplex Printing Press Co., Battle Creek, Mich.; gun carriage parts; $1,449,000.


Bulld Co., Bridgeport, Conn.; lathes; $503,300.

Landis Tool Co., Waynesboro, Pa.; grinding machines; $621,564.

Iowa Transmission Co., Waterloo, Iowa; transmissions; $642,000.

Parish Pressed Steel Co., Reading, Pa.; gun carriage parts; $701,300.

Herschle Hall Clock Co., Cincinnati, Ohio; observation instruments; $676,800.

Lancaster Automatic Engineering Co., Youngstown, Ohio; spring rammers; $2,522,066.80.


Eastman Kodak Co., Rochester, N. Y.; telescopes; $600,000.

International Diesel Electric Co., Long Island City, N. Y.; generating units; $616,247.

Westinghouse Electric & Mfg. Co., East Pittsburgh, Pa.; binoculars; $600,000.

Continental Motors Corporation, Detroit, Mich. (for manufacture at Muskegon, Mich.); engines; $5,087,284.29.


Bethlehem Steel Co., Bethlehem, Pa.; projectiles; $697,900.

Noblitt-Sparks Industries, Inc., Columbus, Ind.; chemical bombs; $791,648.

General Motors Corporation, Olds Motor Works Division, Lansing, Mich.; shot; $83,105,000.

Crucible Steel Co., Harrison, N. J.; shot; $3,161,582.

Motor Wheel Corporation, Lansing, Mich.; shot; $1,508,000.

Auto Ordnance Corporation, Bridgeport, Conn.; magazines; $332,546.19.

Wheland Co., Chattanooga, Tenn.; guns; $96,207,000.

Mergenthaler Linotype Co., Brooklyn, N. Y.; range quadrants; $1,090,128.67.

Mergenthaler Linotype Co., Brooklyn, N. Y.; telescopes; $1,030,128.54.

Mergenthaler Linotype Co., Brooklyn, N. Y.; telescope mounts; $867,619.29.

Autocar Co., Ardmore, Pa.; parts for half tracks; $889,400.

Eaton Mfg. Co., Cleveland, Ohio; shot; $2,355,000.

Armstrong Cork Co., Lancaster, Pa.; shells; $726,476.67.

Easy Washing Machine Co., Syracuse, N. Y.; fuses; $150,000.

EQUIPMENT AND SUPPLIES

Pacific Mills, Phila., Pa.; (Mill: Lawrence, Mass.); 250,000 yds., cloth, serge, o. d., c. d.; $1,266,000.

Guerin Mills, Inc., Woonsocket, R. I.; 400,000 yds., cloth, serge, c. d.; $1,256,000.

Uxbridge Wooster Co., Inc., Uxbridge, Mass.; 200,000 yds., cloth, serge; $626,000.

Gera Mills (New Jersey Worsted), Garfield, N. J. (Mill: Passaic, N. J.); 250,000 yds., cloth, serge, c. d.; $698,300.

Botany Worsted Mills, Passaic, N. J.; 1,500,000 yds., flannel, shirting; c. d.; $2,925,000.

Pacific Mills, Phila., Pa.; (Mill: Lawrence, Mass.); 1,700,000 yds., flannel, shirting, c. d.; $3,356,700.

Gera Mills (N. J. Worsted), Garfield, N. J.; (Mill: Passaic, N. J.); 250,000 yds., flannel, shirting, c. d.; $1,107,200.

The Bell Co., Worcester, Mass.; 270,000 yds., flannel, shirting, c. d.; $331,900.

J. F. Stevens & Co., Inc., New York, N. Y.; 400,000 yds., cloth, serge; c. d.; $1,041,000.


Stillwater Worsted Mills, Harrisville, R. I.; 200,000 yds., cloth, shirting, c. d.; $238,000.


Porang-Worsted Co., Providence, R. I.; 200,000 yds., cloth, shirting, c. d.; $910,600.

LaFrance Industries, Philadelphia, Pa.; 200,000 yds., cloth, shirting, c. d.; $614,400.


William Whitman Co., Inc., Boston, Mass. (Mill: Lawrence, Mass.); 800,000 yds., flannel, shirting, c. d.; $1,570,000.


SHIP CONSTRUCTION

Maritime Commission

Barnes-Duluth Ship-Building Co., Duluth, Minn.; eight coastal tanker vessels; $4,160,000.

Lancaster Iron Workers, Lancaster, Pa.; four coastal tanker vessels; $2,220,000.

Fremont Bros. Inc., Milwaukee, Wis.; four seagoing tugs; $434,000.

WAR DEPARTMENT

Stephens Bros., Stockton, Calif.; offshore rescue vessels; $868,000.

AIRCRAFT

Lockheed Aircraft Corporation, Burbank, Calif.; airplane parts; $1,865,126.

The Trailer Co. of America, Cincinnati, Ohio; semi-trailers; $1,709,063.48.

Butler Mfg. Co., Kansas City, Mo.; portable warehouses; $1,649,476.

CONSTRUCTION

Vickers, Inc., Detroit, Mich.; additional plant facilities with necessary machinery and equipment; $6,580,000.

Sanderson and Porter, New York, N. Y.; for the design of an arsenal for the manufacture and assembly of incendiary munitions; $16,350,000.

Patterson Field, Ohio; $1,966,000.25.

Steinle Wolfe, Inc., Fremont, Ohio; construction of buildings, Erie Proving Ground, Ohio; $583,169.

President approves 1,167 new defense homes in 5 areas

President Roosevelt determined November 28 that a need exists for 1,167 homes for families of industrial defense workers and enlisted personnel in five localities, upon recommendation of Charles F. Palmer, Coordinator of Defense Housing.

In addition, the President approved provision of temporary accommodations for 750 families in five other localities. Localities and the number of homes planned for each are as follows:

**Permanen**—Sacramento, Calif., 657 (200 of these units are dormitory accommodations); Sebring, Fla., 192; Guan- tanamo, Cuba, 110; Stamford, Conn., 200; and New York, N. Y., 7.

**Temporary Shelter**—Annapolis, Md., 50 trailers; Huntsville, Ala., 100 trailers; Weldon Springs, Mo., 200 portable cottages; Orange, Tex. (Beaumont-Port Ar- thur), 200 portable cottages; Massena, N. Y., 200 portable cottages.
OPM defines "minor" utility improvement, answers questions on maintenance order

The Office of Production Management on November 21 defined what is meant by "minor improvements" and "minor capital additions" for utility systems covered by Preference Rating Order P-46.

Under this order a preference rating of A-10 is assigned to supplies needed for repair, maintenance, and operation, and for "minor improvements" and "minor capital additions." This led to uncertainty among utilities as to what constituted "minor improvements" or "minor capital additions."

Amendment No. 2 to P-46, issued November 25 puts an end to the uncertainty by providing that a minor improvement or minor capital addition is an expenditure for material not exceeding $1,500 in the case of underground connections, or $500 for other capital additions. A job may not be split up in order to come within these limits.

Repair rules liberalized

Another clause in the amendment liberalizes the acquisition or withdrawal of supplies needed to repair property damaged by fire, flood, or other climatic occurrences.

Other provisions in the amendment clarify sections in the original order dealing with inventories and the replacement of condemned meters.

QUESTIONS AND ANSWERS

The following questions and answers have been issued by OPM in response to a number of requests for information concerning the original Preference Rating Order No. P-46, relating to maintenance, repair and operating supplies for utilities.

1. Q. Are bottled gas distributors covered by Order P-46?
   A. Yes.

2. Q. Do the restrictions in paragraph (f) of the Order apply to materials acquired under a project rating or a Preference Rating issued on the basis of a PD-1?
   A. No.

3. Q. Is material which a utility acquires without the use of the preference rating assigned by Order P-46 subject to the provisions of paragraph (f)?
   A. Yes, with the exceptions set forth in 2.

4. Q. Is any allowance made in paragraph (f) of Order P-46 for the increase in prices of materials over 1940 levels?
   A. No.

5. Q. Does paragraph (e) (2) mean that deliveries of material to be used as operating supplies or for repair cannot be obtained to build up stocks prior to the actual need for such material?
   A. No.

6. Q. Do the terms "deliveries" and "withdrawals" include the value of material acquired under contracts?
   A. Yes.

7. Q. Where material is acquired under contracts, is the value of material determined:
   A. No. Inventories may be maintained at a practical working minimum.

8. Q. Does the term "deliveries" include material or equipment removed from the Producer's plant and placed in stores with or without repair?
   A. No.

9. Q. Are materials issued and subsequently returned to stock, or materials transferred between storerooms of the same company included as deliveries and withdrawals under the provisions of paragraphs (f) (1), (2), and (3)?
   A. No.

10. Q. Are material sold or traded to Suppliers or other Producers included as deliveries and withdrawals under the provisions of paragraphs (f) (1), (2), and (3)?
    A. No.

11. Q. Are materials sold to customers (such as service pipe) included as deliveries and withdrawals under the provisions of paragraphs (f) (1), (2), and (3)?
    A. Yes.

12. Q. Do the terms "deliveries" and "withdrawals" include materials charged directly to operating expense accounts or fixed capital accounts for minor additions without being cleared through stores?
    A. Yes.

13. Q. Does the term "inventory" include material on hand which is not carried in store's account?
    A. Yes.

Territorial towns added to defense housing critical areas

Five towns in Alaska, two in Puerto Rico, and one each in Hawaii and the Virgin Islands have been added to the defense housing critical areas list, it was announced November 26 by the Priorities Division.

The five Alaskan towns, where dwellings for defense workers will be constructed with the aid of priority assistance, are Anchorage, Fairbanks, Ketchikan, Kodiak, and Sitka. In Puerto Rico, Aguadilla and San Juan will benefit from inclusion in the list, as will Honolulu, T. H., and Charlotte-Amalie, V. I.

NAVY SETS UP PRIORITIES COMPLIANCE SECTIONS

The Secretary of the Navy has ordered set up in all bureaus and offices of the Navy and Marine Corps a unit to be known as the priorities compliance section to deal with priority phases. The Secretary in his letter to the various bureaus and offices explained that the volume of preference rating certificates had become so great that it is necessary to decentralize the responsibility for effectively reviewing these certificates.

It was announced that starting November 25, each bureau and office would be responsible to the Army and Navy Munitions Board for the review and the administrative policing of preference rating certificates executed on its behalf.

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.
Acute demands call for allocation when priorities fail, says Nelson

In the second of a series of radio broadcasts on "What Price Defense," Donald M. Nelson, executive director of the Supply Priorities and Allocations Board, was interviewed November 21 by Theodore Granik, chairman of the American Forum of the Air. The radio series is a public service feature presented over the Mutual Broadcasting System in cooperation with the Office for Emergency Management.

Excerpts from the broadcast follow:

Q. Before we get into the questions, tell us something of the functions of your office. Everyone knows of course that you are executive director of the Supply Priorities and Allocation Board. Just what are your duties?

A. SPAB has the job of controlling the distribution of our needed materials so as to insure that all our defense and essential civilian needs are met. That means we must make certain that none of these supplies are used for things the Nation does not need badly until all of our really vital needs have been met. And of course means that we are obliged to restrict the amounts of certain things which the less essential industries may have in order that the more essential industries may have enough.

Trouble is shortages

Q. Well Don, suppose we start with this one. Many sound business men and economists are wondering how the country is going to stand up under the load of priorities that confront us at every turn. What is your opinion on that?

A. Priorities are not the trouble. Our trouble is shortages. Priorities are simply a means of controlling the shortages and keeping them from completely disrupting our whole economic system.

Q. Well, aren't those shortages a bit exaggerated?

A. Unfortunately the shortage of strategic metals and other critical materials is all too real. Last month our military demands for copper actually exceeded the total amount of copper produced in the United States during that month plus the amount brought in during the month from overseas. During 1942 there will be at least three customers for every ton of copper that can be sold to purely civilian industries, and two potential customers for each ton of steel.

Q. We've been told almost since the cradle, that America is the richest and most productive country in the world. How do you reconcile that with the shortages that we are now experiencing?

A. We are the richest nation on earth—we have more than enough steel, copper and so on to meet all our defense requirements, astronomical as those requirements figures are. But here is the point: we do not have and never will have enough of those materials to meet defense demands and at the same time meet the demands of an unprecedented civilian boom.

Big increase in buying power

Q. How do you account for this great increase in consumer demand?

A. So far we have undertaken to spend 60 billion dollars on our defense program. As this money is spent, it filters down through our economy and is translated into buying power.

Q. I understand our national income now is around 95 billion dollars. Do you think it is going higher?

A. Yes, indeed! It is going higher daily. And that 95 billion that you mentioned means that the people's income today is higher even than in the great boom year of 1929.

Q. Well, isn't that all right, Mr. Nelson? It strikes me as being a good thing.

A. That's right! Priorities are simply a means of making first things come first. Defense orders are put ahead of civilian orders.

Sore spots chiefly in metals

Q. What are the chief sore spots in this shortage situation?

A. They occur chiefly in metals—such as steel, aluminum, copper, tin, magnesium, and so on. There are shortages in many other things too, of course; in chemicals for example, in silk, and in other things.

Q. You included copper in your list of shortages. If I remember correctly, our production of this metal runs around 140,000 tons a month. That would make an awful big roll of telephone wire and would fill a good many kitchens with frying pans. Where does the defense program use so much of it? Or is that a military secret?

A. No; it is an open question, and a good one. Modern war is not merely fought on metals, it is fought on almost limitless quantities of metals. Every bullet or shell that is fired—for the largest calibre guns—is fired out of brass shell casing. Brass as you know is made largely of copper. You can't begin to equip an army and a navy unless you have ample stocks of copper, because otherwise your army or navy can't fire their guns. We are building a two-ocean navy; that calls for huge quantities of steel, the armor plate takes nickel, the machinery inside the ships needs steel and copper and other metals. We are building thousands of tanks...steel and copper again. We are building many thousands of airplanes; to do that we need more magnesium and aluminum than our entire economy was using a couple of years ago.

Q. There isn't enough to go around. It mean enough to satisfy both civilian and military needs.

A. Precisely.

Priorities system inadequate

Q. What do you do in a situation like that?

A. We do the common sense thing. We set up some form of control to make sure that where a material is scarce the demands which are most important to the Nation are met ahead of the demands which are less important.

Q. In other words you impose priorities?

A. That's right! Priorities are simply a means of making first things come first. Defense orders are put ahead of civilian orders.

Q. How are priorities working? Is that system adequate?

A. I'm afraid not. For that reason last week announced that as rapidly as we can make out priorities, we shall move into a method of allocating the critical materials.

Allocate when priorities fail

Q. Meaning just what?

A. Meaning this: when you have almost enough of a given material to go around, you can make out pretty well by rating the various orders of that material in the order of their importance. But where you do not have nearly enough to go around, you can't meet the problem just by rating the comparative importance of the different orders, simply because if you try to, a number of important orders
won't get filled at all. So then, you go into allocations.

Q. And just what are allocations?
A. Well, I'd say, and I'm speaking in very general terms, it is a system whereby you apportion out a scarce material, industry by industry, and in some cases factory by factory.

Q. It looks to me like you have taken on some more headaches. How are you going to handle these allocations?

Over-all planning involved

A. The precise method of administrating this new allocations system isn't fully organized yet. In general, however, it involves over-all planning and detailed knowledge of all the Nation's requirements, both civilian and military... together, of course, with the best accounting you can get of the Nation's total supplies.

Q. That's a man-size job in itself.
A. It certainly is. You must start, of course, by getting a complete picture of military requirements, which then must be broken down in terms of raw materials. Then you can tell how much of any given scarce material must be set aside for military needs. What is left will be available for civilian industry.

Q. Then what happens? Is there a general scramble by the civilian industries for the leavings with a first come first served rule in effect?

Can't allocate on percentage basis

A. Oh no! That's where we come in with allocations.

Q. Well, how do you decide which industries get how much of the left-over materials? Will you apportion it on a straight percentage basis?
A. I wish it were that easy, but we can't do it that way. Let me explain why. Suppose we are going to have... industry makes... that is, whether it is something the country absolutely has to have; whether it is a necessity we could use in smaller quantities; whether it is merely a desirable item rather than a necessary one; or whether it is an out and out luxury. Also the extent to which the industry in question can be used to produce defense goods has an important bearing on the allocations.

Q. Now when you have decided the amounts of materials which an industry is to get, do you simply allot proportionate shares to all factories within that industry?
A. No, no! That's where we come in with allocations. Some industries must face sacrifices. One in a large city, the other in a small town where there is no defense work. If you cut the operation of the small town factory by 50 percent, the city itself suffers little, and the amount of defense work there makes it almost certain that the men who are thrown out of work will get new jobs. But if you cut the small town factory 50 percent, you may wreck the town and the men who lost their jobs may have a very hard time finding other work.

Some industries must face sacrifices

Q. Well, all that adds up to pretty stormy weather for civilian industries.
A. Unfortunately, that is perfectly true. We cannot secure our Nation's safety without asking for those sacrifices.

Q. Won't these allocations mean that some concerns will be forced out of business entirely?
A. A concern which makes things which the country can easily get along without, and which uses up comparatively large quantities of critical materials in proportion to the amount of employment it provides, is apt to have a difficult time of it. Yet I am confident that you can rely on the ingenuity and energy of the American businessman to work out a solution in many such cases. Small business as an Institution must be saved. I doubt if we can save all small businessmen but we'll do everything in our power to keep those cases at a low figure.

Q. Have you any idea as to how that might be done?
A. I think a good deal might be done by providing for the allocation of small amounts of critical materials to special "hardship cases." It will very often be possible to keep a nondefense factory from going out of business by diverting a small quantity of the needed metals to it.

Q. What is your advice to the small concern that you can't help?
A. Well first, the individual manufacturer should do all he can to help himself. He may find that he can shift away from critical materials to some substitute material which is not scarce. He may find that he can turn from the production of nonessential goods to the production of something which is really needed by our civilian economy.

Q. Just one more question Don, what are you going to do with the dollar the Government pays you for your year's work?
A. I think I'll invest it in defense stamps.

Q. Excellent Mr. Nelson, and thank you.

Several orders on iron, steel are extended into 1942

General preference orders affecting pig iron, steel, steel warehouses, and special kinds of iron and steel were extended on November 25 to December 31, 1942, by the acting director of priorities. All of them had been scheduled to expire November 30, 1941.

Most important of these orders is General Preference Order M-21, which puts steel under priority control.

General Preference Orders M-17, M-21-a and M-21-b, which are also extended, cover pig iron, alloy steels, and steel warehouses. The orders also apply to inventories of any of these materials.

Another order extended November 25 is Preference Rating Order No. P-31, which assigns limited blanket ratings of A-1-b and A-1-c to orders for certain materials essential to the operations of manufacturers of foundry equipment and repair parts. This order was extended to May 30, 1942.
AGRICULTURE . . .

Billion and a half being concentrated on Lend-Lease farm products, says SMA chief

"In the present war emergency over-confidence should be given a holiday," declared Roy P. Hendrickson, administrator of the Surplus Marketing Administration of the Department of Agriculture, in an address before the National Fertilizer Association Convention at Atlanta, Ga., last week.

$500,000,000 spent

Discussing food supply responsibilities brought on by the war emergency, Mr. Hendrickson said farm production and marketings in the next crop year will be the largest in this country's history.

A billion and a half dollars is being concentrated on the purchase of agricultural commodities for Lend-Lease shipment, Mr. Hendrickson said. Lend-Lease expenditures for farm products have already exceeded the $500,000,000 mark. Buying and contracting are being continued, and this will require another $500,000,000 by the end of February. A third $500,000,000 of appropriated funds is in a sense already pledged so that farmers can safely continue increasing the production of needed commodities which will be coming from farms and feedlots after March 1.

1,600,000,000 pounds shipped

Pointing out that increased supplies of agricultural commodities are coming through on schedule, Mr. Hendrickson revealed that from the end of last April to October 1, Lend-Lease shipments of agricultural products to Great Britain exceeded 1,600,000,000 pounds, much of it in the form of concentrated foodstuffs.

Speaking about the home front, Mr. Hendrickson said that while consumer buying power has increased with the rise in employment resulting from national defense activities, more than 10,000,000 persons still are dependent on public aid and cannot get the food they need for an adequate diet. Department of Agriculture distribution programs, such as free school lunches, the Food Stamp Plan, and low-cost milk for children, he said, "are a partial answer to our modern paradox of want in the midst of plenty. They point to the possibilities of more complete answers."

"Such programs," Mr. Hendrickson explained, "provide farmers with a wider market that helps to bring a fair return on their full production. At the same time they get more food to people who simply cannot afford to buy an adequate diet.

. . . . . After the present emergency passes and we come face to face with some terrific needs for adjustment, these distribution programs will be of great importance to national welfare."

More dry skim milk needed for Britain; dried egg production capacity is ample

With heaviest needs for dry skim milk still ahead, the Department of Agriculture reported November 20 that further sharp increases in its production would be necessary in order to meet requirements for lend-lease shipment.

A total of 200,000,000 pounds of dry skim milk is required in present goals for shipment to Great Britain under the Lend-Lease Act. Supplying this amount means a 40 to 50 percent increase in total dry skim milk production in the United States. At present total dry skim milk production is nearly 10 percent above production at this time last year. Some increase in the supply of dry skim milk for human consumption has been brought about through diversion of skim milk supplies from manufacturing for animal feed.

At the same time, the Department of Agriculture reported that facilities for producing dried eggs for lend-lease shipment are now more than ample to meet requirements, and further expansion of this industry is not desirable. Estimated full-time egg-drying capacity on November 1 approximated 167,000,000 pounds of dried eggs annually, compared with an annual full-time capacity of 40,000,000 to 50,000,000 pounds last spring before expansion became necessary.

"Early last spring we estimated that dried egg production would have to be increased to approximately 114,000,000 pounds annually in order to meet our expanded domestic needs and requirements for lend-lease shipment to Great Britain," Dr. E. W. Graumitz, associate administrator of the Surplus Marketing Administration said. "Through expansion of existing facilities and priority allocations for new plants and equipment, adequate production capacity was obtained by September 1, after which no further encouragement was given by the department for added expansion. Since September, excess dried egg production capacity has been brought about principally by milk driers.

Need to build up milk supplies

"In view of the scarcity of metals and other materials required for defense purposes, and the fact that there is now more than ample capacity to produce all of the dried eggs that are needed, further expansion is not desired. In fact, facilities which have been converted for the drying of eggs should be restored to their use for manufacturing dried skim milk. Otherwise they may be contributing to a possible surplus of dried egg products which may have a serious repercussion on the poultry industry as a whole. The need for increasing the production of dried skim milk is great, and every effort should be made to build up these milk supplies rather than use milk-drying facilities for the production of more dried eggs than may be required."

From March 15 through November 15, the Department of Agriculture bought slightly more than 29,800,000 pounds of dry skim milk and 32,900,000 pounds of dried eggs. These purchases, primarily for lend-lease shipment, were made through the Surplus Marketing Administration.
LABOR...

New low reported in strikes "primarily" affecting production for defense

A new low in number of strikes of primary defense significance and workers involved therein since the beginning of the regular weekly OPM release on defense strikes (October 25, 1941) was reported November 25 by the Labor Division of OPM.

Three stoppages (involving 1,700 workers) were directly affecting the defense program on the 29th, according to the Labor Division's statement. Twelve other strikes (involving 3,500 persons) were currently in plants with Army, Navy, or United States Maritime Commission contracts, but these were considered of minor importance. The three significant cases were:

- Atlas Drop Forge Co., Lansing, Mich.—(Forgings for tanks and airplane parts). A tentative agreement has been reached, subject to ratification, for settlement of all issues and resumption of production. The 700 members of UAW-CIO went on strike on November 19 over a new contract and wage increases.
- Breckinridge Machine Co., Cleveland, Ohio.—(Aircraft parts). Joint conferences are continuing with the participation of a Federal conciliator and OPM labor consultant in the dispute over wages involving 750 members of the UAW-CIO who struck on November 22.
- Republic Aircraft Co., Detroit, Michigan.—(Aircraft parts). Joint conferences are continuing with the participation of a Federal conciliator and OPM labor consultant in the dispute over wages involving 750 members of the UAW-CIO who struck on November 22.

Work resumed in seven primary cases

The Labor Division also reported that with the assistance of the various Government agencies, 10 threatened strikes in industries of importance to the defense program (affecting 17,400 persons) were averted and work was resumed in 7 primary defense stoppages (involving 64,300 workers) during the week. These 17 cases (81,700 workers) were:

- ADJUSTED WITHOUT STOPPAGE
  - Acme Rubber Co., Trenton, N. J.
  - American Smelting & Refining Co., Perth Amboy, N. J.
  - American Telephone & Telegraph Co.

Booklet describes ship labor stabilization agreement

The Labor Division, OPM, issued on November 25 a 22-page pamphlet, "Ships for Freedom," telling how, with the cooperation of workers, management, and Government, an industry-wide program has been developed to bring labor stability to the shipbuilding industry.

The pamphlet, which contains a foreword by OPM Associate Director General Hillman, reviews the organization and work of the shipbuilding stabilization committee and contains a summary of wage and other working agreements made throughout the industry.

Copies of "Ships for Freedom" may be obtained from the Division of Information, Office for Emergency Management, Social Security Building, Washington, D. C.

255,000 workers scheduled to be hired and 67,000 laid off, November 1 to March 1

Federal Security Administrator Paul V. McNutt announced November 26 that more than a quarter million additional workers are scheduled to be hired by March 1, while 67,000 are expected to be laid off, in the 9,900 defense manufacturing plants whose labor needs are regularly surveyed by the Bureau of Employment Security of the Social Security Board, and its affiliated State employment services.

More than 70 percent of the expected lay-offs were reported by auto and auto equipment companies. However, the net reduction in employment in this industry will probably be considerably smaller, Mr. McNutt said, since these same companies planned more than 10,000 new hires for September and October, and an additional 10,500 during the 4 months ending March 1.

Many to be hired on release

Mr. McNutt explained that the paradox of such large numbers of both hires and lay-offs within the industry is probably due to the expected hiring of workers for tank, truck, aircraft, and airplane parts production at the same time that workers ordinarily engaged in auto production will be released.

Industries producing iron and steel and their products expect 24,800 new hires and 7,000 lay-offs during the four months ending March 1. Tire and inner tube, and industrial rubber goods plants anticipate small net reductions in employment. In the case of iron and steel, Mr. McNutt attributed most of the expected lay-offs to restrictions on the manufacture of nondefense consumer goods which require the use of iron and steel in their processing.

Types most in demand

Almost one-third of the total number of workers to be taken on will be needed in four States—Michigan, New York, Ohio, and Pennsylvania—centers of the iron and steel and nonelectrical machinery industries.

Among skilled workers, the types most in demand will be machine shop machinists, arc welders, and aircraft sheet metal workers. In the semiskilled group, the greatest need will be for detail assemblers and riveters for the aircraft industry. Among the unskilled occupations, the demand is expected to be heaviest for process laborers in ship and boshbuilding and repairing, machine shop work, and aircraft manufacturing.
HEALTH AND WELFARE . . .

Drive for better nutrition is reaching communities all over U. S., reports show

The campaign for better nutrition is reaching into communities and homes all over the country, according to reports to the nutrition division of the Office of Defense Health and Welfare Services. Reports from State nutrition committees for defense show how the newer knowledge of nutrition is being adapted to the needs of particular localities:

**NEW YORK STATE**

From November 20 to December 3, the New York State nutrition committee is sponsoring a Nutrition Fortnight. All agencies in the State whose work has any bearing on food problems are taking an active part. Group meetings are being held in all counties to stimulate interest in better nutrition. Speakers, news releases, exhibits, and local radio programs explain the nutrition program and give specific information as to what community groups and individuals can do to improve their own and the Nation's health through better food.

**LOUISIANA**

All the parishes in Louisiana are organized for better nutrition. The State nutrition committee has developed an "eating score card" which makes it easy for individual families to compare what they do eat with what they should eat. This card is distributed in the school and parent-teacher associations throughout the State.

Special work is being carried on to encourage the use of native foods which have high nutritive value. Such locally grown products as sweet potatoes, rice and rice polishings, greens of all kinds, and natural molasses have valuable food elements whose use can greatly improve the diet of many Louisiana families.

**KANSAS**

The community nutrition program of Wichita, Kans., is reaching to the homes of all income groups in the city. Local health, welfare, and civic agencies, merchants, and interested individuals are all working together with the county nutrition committee to see that every home in Wichita improves its food habits.

Adult classes on how to secure, prepare, and eat the right foods are held throughout the city. Special classes are held for women who run boarding houses for the men who work in the nearby aircraft factories. Classes for Negroes and other groups adapt nutrition information to their particular needs.

Grocers show exhibits which remind their customers to buy their groceries with an eye on their food values. In cooperation with the Surplus Marketing Administration and the WPA, local groups sponsor free school lunches in schools throughout the city.

**NEVADA**

The State nutrition committee of Nevada has made a family-by-family survey of food needs. They have discovered that for milk, butter, meat, and eggs the average consumption is equal to or better than that set as a national standard. They found, however, that Nevada's average was below good nutrition requirements for fresh vegetables and fruits. The State nutrition program has consequently been directed toward increasing the amounts of these in the diet.

A "Keep Growing" campaign for better nutrition had been carried on in Nevada for some years previous to the present defense effort. This program has been augmented and speeded up.

**CALIFORNIA**

Los Angeles County held a luncheon meeting on November 12 to launch its county nutrition program. Five hundred leaders of professional and lay groups attended. A typical noon Army menu was served. It was analyzed for its nutritive value to illustrate to those present the functions of specific foods in building health.

A county nutrition committee was appointed, with the county health officer as chairman, to develop and carry out a thorough nutrition program for Los Angeles County, which is rapidly expanding with defense activity.

**MASSACHUSETTS**

The State Nutrition Council of Massachusetts cooperated with the Springfield Union in carrying on an intensive newspaper campaign for better nutrition in western Massachusetts.

Large advertisements calling attention to the "Eat Right to Keep Fit" campaign were published for three days before the campaign started.

Such questions as "Are you a Blitz luncher?" "Can you pack pep in a lunch box?" "Do you know what to eat? Do you know how to get it?" were answered in featured articles which the Union ran every day for two weeks.

Many other communities in Massachusetts have local action programs in operation.
First recreation centers for service men dedicated at Fayetteville, N. C.

Completion of construction on the first two of several hundred service men's recreation centers was observed in Fayetteville, N. C., November 28, Federal Security Administrator Paul V. McNutt, director of Defense Health and Welfare Services announced. The two buildings, Mr. McNutt said, provide comparable services for white and for Negro enlisted men.

The opening ceremonies are under the auspices of the Fayetteville Defense Recreation Council, of which William M. Shaw is chairman. Mayor McPad- yen represented the city, and Governor Broughton sent an official representative.

Three agencies represented

Out-of-town guests scheduled to speak at the ceremony included Gen. Brehon Somervell, Charles P. Taft, assistant director of the Office of Defense Health and Welfare Services, Mark McCloskey, director of its recreation division, and Harper Sibley, president of the USO. All have an active interest in the service centers, because of the cooperative arrangement under which these recreation facilities are provided.

Under the Community Facilities Act, the President designated the Office of Defense Health and Welfare Services as responsible for determining the location of recreation centers and supervising their operation. The Federal Works Agency, to which the act gave administrative responsibility, has assigned building operations to the Army. When the community needs additional assistance, the USO operates and staffs these recreation centers, under an agreement with the Federal Security Agency.

The Fayetteville centers dedicated November 28 are among the 273 new constructions and renovations now being built with Federal money through the Community Facilities Act. These centers are located in communities near army camps and naval posts in the in- sular possessions and foreign bases, as well as the Continental United States. Practically all of them will be finished by the first of the year.

18,000 population, 120,000 soldiers

A third recreation building is also nearing completion in Fayetteville. The town, with a normal population of about 18,000, is 10 miles from Fort Bragg, and is the center for soldiers' leave activities. Personnel stationed at the fort has increased from a small garrison force to nearly 70,000. During the present maneuvers, about 120,000 men are in the Fayetteville area. The number of soldiers in town during leave periods ranges from 8,000 to 20,000.

Other facilities fully used

The Fayetteville Defense Recreation Council, with the cooperation of the Federal Security Agency's recreation representative, has undertaken the responsibility of coordinating community recreation facilities in schools, churches, and private homes being utilized, but local and Federal authorities agree the three new buildings are essential if the town is to carry on its community recreation program for service men.

Motion picture to portray sound nutrition

Filming of a documentary motion picture on nutrition has been started in Hollywood, Federal Security Administrator Paul V. McNutt announced November 24. The film is a project of the Office of Defense Health and Welfare Services, OEM, of which Mr. McNutt is director.

Mr. McNutt stated that when the national nutrition program was announced, Swift and Company offered to finance a motion picture which would bring to the American people the story of sound health through sound eating. It was agreed that the film would be noncommercial in character and that the nutritional information presented would follow the best scientific knowledge and practice.

The nutritional data and the script are subject to approval by a committee of nutritionists headed by M. L. Wilson, assistant director of defense health and welfare services.

The film is being produced by the American Film Center, an educational organization supported by the Rockefeller Foundation, with the filming under the direction of Film Associates, Inc. It will be released early in 1942.
CIVILIAN DEFENSE . . .

17 groups discuss visit to England to study women's role in defense

Representatives of 17 national women's organizations met November 28 with Mrs. Franklin D. Roosevelt and Miss Eloise Davison, assistant directors of the Office of Civilian Defense, to consider acceptance of the invitation of the British Committee of Representative Women to send a selected group of 14 American women to Britain to study women's effort in national defense.

Mrs. Margaret Drexel Biddle, wife of the United States Ambassador to the governments in exile, realizing what it would mean to the people of the United States to have this first-hand information, made the suggestion of the visit to the British Government. The British approved the invitation.

After the discussions in which Mrs. Roosevelt and Miss Davison participated, the national representatives agreed to submit the invitation to their executive boards for consideration and to report back by December 10. Matters to be decided by the boards are the selection of their representatives and means of financing.

Visit expected to last 3 weeks or less

It is expected that the representatives chosen by the several organizations will spend not more than three weeks in Great Britain.

Miss Davison will be the first to leave, going late in December.

Following is the list of organizations and their representatives at the November 28 conference:

Education—(National Education Association) Miss Charly Williams; (American Association of University Women) Dr. Kathryn McHale; (National Congress of Parents and Teachers) Mrs. William Kleter.

Nursing—(Red Cross) Miss Mary Beard; (Public Health Service) Miss P. M. McIver; (American Nurses' Association) Miss Julia Stimson.

Medicine—(American Women's Medical Association) Dr. Emily Barringer.

Home Economics, Nutrition, Child Care—(American Dietetic Association) Miss Mary Barber; (American Home Economics Association) Miss Edna Van Horn; (Bureau of Home Economics) Dr. Louise Stanley; (Children's Bureau) Miss Katharine Lenroot and Dr. Martha Elliot.

Welfare—(Welfare Agencies) Mr. Geoffrey May.

Labor—(National Women's Trade Union League of America) Miss Elizabeth Christian.

President proclaims December 15 as "Bill of Rights Day"

President Roosevelt on November 28 proclaimed Monday, December 15, 1941, as "Bill of Rights Day" throughout the Nation.

Text of the Proclamation follows:

WHEREAS the Joint Resolution of the Congress, approved August 21, 1941, authorizes and requests the President of the United States "to issue a proclamation designating December 15, 1941, as Bill of Rights Day, calling upon officials of the Government to display the flag of the United States on all Government buildings on that day, and inviting the people of the United States to observe the day with appropriate ceremonies and prayer"; and

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, do hereby designate December 15, 1941 as Bill of Rights Day. And I call upon the officials of the Government, and upon the people of the United States, to observe the day by displaying the flag of the United States on public buildings and by meeting together for such prayers and such ceremonies as may seem to them appropriate.

The first ten amendments, the great American charter of personal liberty and human dignity, became a part of the Constitution of the United States on the 15th day of December 1791.

150 years of privileges

It is fitting that the anniversary of its adoption should be remembered by the nation which, for one hundred and fifty years, has enjoyed the inalienable privileges which that charter guaranteed: the privileges of freedom of religion, freedom of speech, freedom of the press, freedom of assembly and the free right to petition the government for redress of grievances.

Farm—(Associated Country Women of the World) Miss Grace Frysinger.

General—(Federal Federation of Women's Clubs) Mrs. Sara Whitehurst; (National League of Women Voters) Miss Margarette Wells; (National Council of Women) Mrs. Lucy Milligan.

Information Dissemination—(National Federation of Business and Professional Women's Clubs) Miss Louise Bache.

Day of mobilization for freedom

The 15th day of December 1941 is therefore set apart as a day of mobilization for freedom and for human rights, a day of remembrance of the democratic and peaceful action by which these rights were gained, a day of reassessment of their present meaning and their living worth.

Those who have long enjoyed such privileges as we enjoy forget in time that men have died to win them. They come in time to take these rights for granted and to assume their protection is assured. We, however, who have seen these privileges lost in other continents and other countries can now appreciate their meaning to those people who enjoyed them once and now no longer can. We understand in some measure what their loss can mean. And by that realization we have come to a clearer conception of their worth to us, and to a stronger and more unalterable determination that here in our land they shall not be lost or weakened or curtailed.

It is to give public expression and outward form to that understanding and that determination that we are about to commemorate the adoption of the Bill of Rights and rededicate its principles and its practice.
3,500 tons of steel in Tacoma Narrows Bridge to be "rescued" for defense

Approximately 3,500 tons of scrap steel, originally scheduled to be thrown into Puget Sound, will be salvaged and eventually routed into the Nation's defense program, OPM announced November 25.

The "rescue" of the steel, which became scrap as a result of the Tacoma Narrows Bridge collapse in November 1940, was accomplished through the joint efforts of several branches of OPM cooperating with the State of Washington Toll Bridge Authority.

Carlton S. Proctor, chairman of the committee on steel conservation and reclamation of the Engineers' Defense Board, on November 13 notified OPM officials of a decision to drop the damaged bridge and cables into Puget Sound. The decision had been reached, it was said at that time, because the cost of reclamation exceeded the immediate scrap value of the metal.

Enough for 100 tanks

The scrap iron and steel division of OPM, which had earlier been in communication with the Washington Toll Bridge Authority, immediately telegraphed municipal authorities at Tacoma, and were notified that the disposition of the bridge scrap was the entire responsibility of the Bridge Authority.

On November 24, J. W. Hoover, secretary of the Authority, replied, in part, as follows:

"An insurance settlement has been made on the bridge • • • The Washington Toll Bridge Authority will offer for sale all scrap metal which can be made available • • •"

It has been estimated that the 3,500 tons of steel scrap, when it is reclaimed, with an equivalent amount of pig iron, could be used in the production of 100 light or medium tanks, 200 four-ton trucks, or 600 sixteen inch navy shells.

Boiler meeting postponed

The meeting of manufacturers of low pressure heating boilers called by OPA for December 1, in Washington, has been postponed, it was announced November 28.

A new date will be fixed in the near future.

6 JOIN OPA STAFF

Appointment of six accountants to the Division of Accounting, Analysis, and Review, Office of Price Administration, were announced November 26 by J. K. Galbraith, assistant administrator.

Russell P. Dolan was appointed to the textile and leather goods section. Mr. Dolan was formerly deputy collector for the Unjust Enrichment Division of the Bureau of Internal Revenue. He has been associated with the textile industry in New England for 25 years in responsible accounting and executive positions.

James J. Ford was appointed to the chemicals, drugs, and paints section. Mr. Ford has had wide experience as an executive accountant in the drug and chemical industries. For 8 years he was an executive with McKesson and Robbins, Inc., and previously specialized in cost and accounting control installations in diversified industries. His home is in Yonkers, N. Y.

John J. Keane, a certified public accountant, and formerly with Loomis, Saffern and Fernald, public accountants in New York, was appointed chief of the copper and brass section. He has had 22 years' experience in private and public accounting, the major portion of which was devoted to copper mining and related industries. His home is in New York City.

James M. Weiss was named to the iron and steel section. During recent years he has been engaged in the practice of public accounting, and for many years was assistant secretary and assistant treasurer of the Savage Arms Corporation. He was also a cost accountant and efficiency expert for the Remington Arms Corporation.

Warran E. Wiley was appointed to the chemicals, drugs, and paints section. He has 11 years experience with large chemical and pharmaceutical manufacturers in cost accounting and budgetary control. In 1941 he was awarded an honorary LL. D. degree by Blackstone College of Law in Chicago. Mr. Wiley's home is in Capville, Va.

York S. Wilson, cotton manufacturer and broker, was appointed chief of the textile and leather goods section. For the past 25 years Mr. Wilson has been associated with the textile and cotton industries in the south during which time he served as assistant treasurer of the Lancaster Cotton Mills; treasurer of the Aragon Cotton Mills; and president and treasurer of the Red River Cotton Mills. Mr. Wilson lives at the Oakland Plantation, Beaufort County, S. C.

Bags, barrels, other packaging material not included under Preference Order P-22

The containers branch of the Office of Production Management pointed out November 26 that packaging material may not be obtained with the assistance of Preference Rating Order P-22, commonly known as the Maintenance and Repair Order.

It was emphasized that no packaging material is included under this order, and that no preference rating under it can be applied for the obtaining or placing of purchasing orders for any packaging material.

"Packaging material" includes bags of all types, barrels, bottles, boxes, cans, containers, cooperage, cores, crates, cartons, cases, tubes, labels, wrappers, wrapping papers, liners, envelopes, cushioning or protective packing material, or their component parts made of paper, wood, fabric, glass, plastic, metal, or any other material.

The foregoing applies to returnable packaging material, as well as that used only one time.

Seven towns in U. S. added to housing critical areas

Seven new towns have been added to those certified as defense areas, and included in the Defense Housing Critical Areas List.

The new communities, in which the construction of housing for defense workers may receive priority assistance, are: Sebring, Fla.; Moultrie, Ga.; Bal-ling, Colum., and Stamford, Tex.; Duhuth, Minn., and Superior, Wis.

Additional PD-73 no longer required on export sales

An additional copy of Form PD-73, previously required on export sales, no longer need be filed in such instances with the Office of Production Management, the Priorities Director announced November 28.

The Office of Export Control, which had been receiving the additional copy, no longer requires it, it was announced.
INTER-AMERICAN AFFAIRS...

Rockefeller on Economic Defense Board; office given role in Hemisphere Division

In recognition of the growing importance of the Government's economic program in the Hemisphere, the Vice President announced November 22 that, with the approval of the President, he had appointed Nelson A. Rockefeller, Coordinator of Inter-American Affairs, as a member of the Economic Defense Board. The Vice President also stated that the Economic Defense Board is reorganizing its personnel into four regional divisions—European and African, Far Eastern, British Empire, and American Hemisphere.

Personnel to be merged

In furtherance of this organizational plan the Commercial and Financial Division of the Coordinator's Office, working under the supervision of Milo Perkins, executive director of the Economic Defense Board, will undertake the study, formulation, and execution of such plans and programs of the Board affecting Latin America as fall within the scope of Executive Orders No. 8839 of July 30, 1941, No. 8900 of September 15, 1941, and No. 8926 of October 28, 1941. The executive personnel of the Economic Defense Board engaged in Hemisphere matters will, pursuant to this arrangement, be merged with the personnel of the Commercial and Financial Division of the Coordinator's office.

The combined personnel will act as the American Hemisphere Division of the Economic Defense Board under the direction of Carl B. Spaeth, assistant coordinator of Inter-American Affairs. On all matters not covered by the three Executive orders above described this division will be administratively responsible to Mr. Rockefeller and will continue to carry out, as heretofore, the other duties and responsibilities vested in it by the Coordinator.

** "FLIGHT STRIPS" TO BE BUILT ALONG HIGHWAYS

Construction of "Flight Strips" along the public highways is authorized by the Defense Highway Act of 1941, which has been signed by the President. The Army Air Forces will cooperate with the Coordinator of Public Roads in the selection of locations and construction of these auxiliary landing areas, the War Department announced recently. Construction of "Flight Strips" in most instances, will involve little more than widening the highway rights-of-way or construction of "Flight Strips" in most instances will involve little more than widening the highway rights-of-way or establishment of a definite line of demarcation between highway and "Flight Strip."

LONDON RADIO LISTENING POST ESTABLISHED BY FCC

The Foreign Broadcast Monitoring Service, a national defense unit of the Federal Communications Commission created at the instigation of the Defense Communications Board, is establishing a branch office in London, England, for closer collaboration with the British broadcasting system.

Headed by Peter C. Rhodes

This office will be headed by Peter C. Rhodes, who was a foreign correspondent for the United Press before and during the present war. Mr. Rhodes has gone to England with Lloyd A. Free, chief of the FCC's Foreign Broadcast Monitoring Service, for that purpose. The FBMS listens in on, translates, analyses, and makes daily confidential report on overseas broadcasts, in many languages.

OPM temporary building completed in record time

William S. Knudsen, Director General of OPM, on December 1 received the keys to a block-long temporary Government office building—38 days after work was started on the structure. Built by the Public Buildings Administration for OPM occupancy, the building has 119,000 square feet of floor space and will house 1,100 of OPM's force. It will be called "Temporary R."

OFFICE FOR EMERGENCY MANAGEMENT

WAYNE COT, Liaison Officer

OFFICE OF PRICE ADMINISTRATION: Leon Henderson, Administrator.

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

SUPPLY PRIORITIES AND ALLOCATIONS BOARD: The Vice President of the United States, Chairman, Donald M. Nelson, Executive Director, The Secretary of War, The Secretary of the Navy, William S. Knudsen, Sidney Hillman, Harry Hopkins, Leon Henderson.

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

OFFICE OF FACTS AND FIGURES: Archibald MacLeish, Director.


OFFICE OF PRODUCTION MANAGEMENT: William S. Knudsen, Director General, Sidney Hillman, Associate Director General. Secretary, Herbert Emmerich. General Counsel, John Lord O'Brien.

PRODUCTION DIVISION: W. H. HArtson, Director.

PURCHASES DIVISION: Douglas C. Mccuskie, Director.

PERISHABLES DIVISION: Donald M. Nelson, Director.

MATERIALS DIVISION: William L. Bitt, Director.

CIVILIAN SUPPLY DIVISION: Leon Henderson, Director.

CONTRACT DISTRIBUTION DIVISION: Floyd B. Odlum, Director.

LABOR DIVISION: Sidney Hillman, Director.

RESEARCH AND STATISTICS BUREAU: Stanley May, Chief.

BUREAU OF INDUSTRIAL ADVISORY COMMITTEES: Sidney J. Weinberg, Chief.

BUREAU OF INDUSTRIAL CONSERVATION: Leasing J. Rosenwald, Chief.