Sugar hoarders to surrender ration stamps; fine or prison for false statements

Persons who have built up hoards of sugar will have stamps torn out of their ration books to cover the hoards, thus depriving those persons of the right to buy any more sugar until their hoards are used up, under the rationing plan to go into effect within a few weeks, Leon Henderson, administrator of the Office of Price Administration, announced February 6.

"In the meantime," Mr. Henderson said, "every patriotic citizen should reduce his normal sugar consumption by at least a third. Those who have hoards should stop buying more sugar and start using up their hoards. Retailers should continue limiting sales to individuals until the formal rationing plan is put into effect. And consumers should remember that the retailers are not responsible for the shortage."

Teachers to register public

Registration of consumers by teachers in the public schools and issuance of War Ration Book No. 1 will start as soon as the enormous job of printing and distributing the books have been completed, Mr. Henderson stated. Local rationing boards will have general supervision over the registration of consumers and the issuance of the books.

One book will be printed for each person in the country regardless of age. Each book will carry in it 28 stamps. The stamps will be numbered and can be used only to purchase sugar during a designated week. When a sugar purchase is made the proper stamp will be torn from the book. Each stamp will entitle the book holder to purchase a definite amount of sugar—probably three-quarters of a pound per person per week. The exact amount will be determined when the War Production Board decides how much is to be made available each week for the thousands of retail stores throughout the country.

Must make certified statement

When consumers apply for War Ration Book No. 1, they will be required to make a certified statement as to the amount of sugar per person in their family unit. If there is more than 2 pounds of sugar per person in possession of the family the balance will be considered as hoarded sugar and an appropriate number of stamps will be removed from the book at the time of registration. The amount of sugar per person in the family hoard will be divided by the amount of sugar which can be purchased with each stamp to determine how many stamps must be removed from the book. This will make it impossible for the book holder to buy any sugar until his or her supply is used up.

The application which the applicant must sign will carry on its face the warning that false reports to any Government (Continued on page 5)
Review of the Week

In their ninth week of living with the war, Americans learned how the Government will protect them from individuals trying to take unfair advantages. To get sugar ration books, due soon, householders must report supplies on hand. Hoarders will surrender tickets corresponding to their hoards. (Possible penalty for false reports to any Government agency: $10,000 fine or 10 years in prison.) Price Administrator Henderson promised a retail sugar ceiling unless prices stay in bounds.

The Office of Price Administration also announced the charges by make and model that will be allowed when automobile rationing begins.

Pulling together to check costs

Price control finally enacted into law, OPA stated jointly with the Department of Agriculture the aim of keeping living costs down. Steps in this direction gave the OPA one of its biggest weeks:

Formal ceilings were set on petroleum and its products (not at retail); scrap rubber; domestic washing machines and ironers; bed linens; nylon stockings; mercury; Southern hardwood lumber; titanium pigments; two types of rayon waste; waste paper all over the United States. Action was taken on three table commodities which must cross troubled waters—ceilings were established sharply reducing the price of tea, and changes lowered maximum prices for cacao and pepper.

For a long roll of other materials and products, maximum price schedules were tightened, adjusted—in many cases to conform to policies in the new Price Control Act. Affected were:

- Iron and steel products; iron and steel scrap; copper scrap; primary and secondary lead and zinc; relaying rails; railroad specialties; used steel barrels and drums; coke; builders' hardware and insect screen cloth; wool; paperboard; second-hand cloth bags; cotton goods; cotton yarns; kapok; old rags; reclaimed rubber; new tires; fats and oils.

The industrial tide beneath

These activities were the surface waves of a mighty industrial tide. War Production Board Chairman Nelson revealed a complete study showing that President Roosevelt's call for 60,000 airplanes, 45,000 tanks and 20,000 antiaircraft guns this year can be answered successfully only if many plants now making peace-time goods are changed to war. To this conversation he dedicated the next 6 months. (Latest to undertake the big swing-over is the typewriter industry, which will make guns and ammunition.) WPB's statistical chief, Stacy May, came up with a daily index system which will chart the course of the 300 military items and their components and reveal instantly the location and cause of any delay in any of them.

Meanwhile Production Director Harrison reported greatly increased production and interchange of the all-important machine tools; and from Detroit, where the biggest conversion of all is going on, Automotive Branch Chief Kanzler checked on the availability of certain critically needed metal-working machines throughout the industry.

Sacrifices to keep 'em rolling

Industrial branches and the Division of Industry Operations shared in the work of guiding materials into these war factories. The iron and steel branch told the steel industry it must persuade users of steel plate to adopt designs suitable to strip mill products. Strip mill capacity has been increased, but sheared plate mills that can make the wide plates badly needed for war are strictly limited.

The textile branch informed industry representatives that WPB will determine how much new wool can go into civilian garments, and invoked their ingenuity to keep the people warm beside the home fires as well as in the army afield.

Industry Operations again cut the thickness of tin in cans; put chromium under a complete allocation system designed to prevent depletion of existing stocks; forbade the use of cobalt in any pigments after May 1; restricted kapok to military and a few essential civilian uses; and ordered that other materials must be mixed with pig's and hog's bristles in a wide range of uses.

Not forgetting the service which must move the increasing mass of war materials in and out of the factories, WPB approved a program to allot to railroads 900,530 tons of steel and 2,250 tons of copper in the first quarter of 1942—if the materials are not necessary for shells.

The National War Labor Board for the first time took jurisdiction of a dispute on its own initiative—the General Motors (Sunday double time) issue. The Board received certification of the Bethlehem Steel disagreement involving wages and "union security"; and settled three cases, in one of which the workers were on strike.

After a joint plea by WPB Chairman Nelson, War Secretary Stimson, Navy Secretary Knox, and Maritime Commission Chairman Land, the walkout of dissatisfied welders in West Coast shipyards began to break up.

The Office of Civilian Defense was reorganized into 6 main divisions and Executive Landis replied to criticism which broke out over hiring of high officials.

Axis underestimates our intelligence

Archibald MacLeish, director of the Office of Facts and Figures, exposed to the American people a "Borgia Bund" of Axis radio propagandists which fills the air with defamatory lies about us to our friends and about our friends to us. They underestimate our intelligence as they did in 1917, said Mr. MacLeish.

Ceiling set on bed linens

Ceiling prices slightly under current market levels are established for cotton bed sheets, sheeting, and pillowcases in Price Schedule No. 89, "Bed Linens," announced February 3 by OPA Administrator Henderson.

The schedule sets maximum prices that manufacturers, converters, and finishers may charge for finished cotton bed sheets, including crib sheets, pillow and bolster cases; "brown" (i.e., unbleached) sheeting; and bleached sheeting. The schedule does not apply to wholesalers, jobbers, or retailers of bed linens, nor are the ceiling prices applicable to wide sheeting "in the grey" or to sheets or sheeting made entirely of combed cotton yarn. Sheets made of combed yarn are of unusually high quality and are not used by average families. Sheetimg "in the grey," that is, as it comes off the loom, is purchased by converters and finishers, and made into finished sheets.


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On the Home Front

Last week brought many developments stemming from our war effort which will affect, sooner or later, almost every consumer. Chromium, that bright and shining steel alloy which—fully as much as the automobile—symbolized a period in United States living, bowed out of the civilian picture altogether with a WPB order for its complete allocation.

Bristles for battle

Brushmakers and their products—the tooth brush, the hair brush, and the paint brush—were affected by a WPB order designed to save hog bristles, most of which we used to import from China. From now on manufacturers whose products aren’t designed to Army and Navy specifications must use 45 percent of some other bristle mixture in their brushes.

The brush industry will have to do what so many industries must do—find substitutes, use reclaimed materials. Horsehair, Nylon bristle, sisal fiber, and badger hair are among possible substitutes. But Nylon grows increasingly scarce as military demands grow, and sisal is now needed to replace manila fiber in manufacture of twine and cordage. WPB already has ordered a number of manufacturers, makers of studio couches among them, to stop buying or selling sisal or henequen fiber.

The prospect in stockings

The Price Administrator’s office slapped a ceiling over wholesale prices for Nylon hosepipe which wiped out recent sizable increases, but the long-term prospect for women who wear Nylon stockings isn’t encouraging. With silk stocks near exhaustion, Army and Navy are turning to Nylon.

The railroads must meet steadily growing demands for military transportation. Highway motor lines, local and longhaul, are handicapped by the same rubber shortage which blocks the individual autoist from purchase of new tires. Director of Defense Transportation Joseph B. Eastman summed up what probably will be the end effect of this situation, saying bluntly: “Shoe leather will have to take the place of rubber . . . the civilian population will find it necessary to substitute leg power, afoot or on bicycles, for much gas power.”

Tea, pepper and cocoa

OPA, now endowed with real price control powers, is constantly on guard against speculative price increases. Last week OPA moved to cancel out unjustified price rises in three household staples—tea, pepper, cocoa. Maximum price schedules fixed sharply lower maximum wholesale prices for tea, carried lesser reductions for pepper, cocoa. In the warehouses: 2 years’ supply of pepper, a great deal of tea, much cocoa. Cocoa we get from Brazil and from West Africa, resumption of African shipments is expected shortly.

Week before last WPB took away half the tin that used to go toward packaging a wide range of products including beer and dog food. Last week the process of saving essential tin for military production continued, a new order means less tin in most “tin” cans, the protective coating of tin will be thinner. Fewer cans, less tin—and a wider use of glass. That’s the prospect.

You can roll a bandage without a uniform

Another WPB order last week will save paper. This order provides that women’s stockings be packed double the usual number to the box and that individual wrappings for each pair be omitted. Like the order which barred the use of brass eyeplets in shoes and saved the equivalent of a million shell cases, the prospects from this single paper order are amazing, the estimated annual saving amounts to 7,000,000 pounds of boxboard annually.

The needs of our constantly growing Army and Navy and the needs of our allies are going to require all the cloth we can lay our hands on and all the mill facilities we can spare. That’s why civilians are going to wear clothes containing less virgin wool. And that’s the reason WPB has requested all non-military organizations not to use uniforms except when they are absolutely necessary. After all, you can roll a bandage just as well in civvies.

OPA has fixed maximum prices which may be charged after March 2 by makers of bed sheets and pillow cases. They’re slightly under current market levels, so you shouldn’t have to pay more for sheets than you have been paying. The order also directs that each article be labeled as to type and class, if it’s a “second” the label must say so.

Mica splittings, essential to electrical installations, are growing scarce and OPA has called a conference of suppliers to discuss price ceilings . . . There’s mica in the U.S.A. and in South America, but splitting it into “blocks” or “sheets” is difficult and tedious work, performed in the Far East—whence we got 90 percent of our supply—by cheap labor. Ceramics may be used as a substitute for mica in some electrical work, and we’ve lots of clay.

The ceiling is on

OPA has revoked maximum price ceilings for flashlights because panic buying which followed threats of air raids on the West Coast has subsided . . . Washing machines and ironers have been put under a price ceiling stabilizing manufacturers’ prices at the October 1-15 level of 1941 . . . And OPA is ready to act to prevent further advances in price by dealers or distributors . . . OPA earlier had set a price ceiling above radios and radio-photographs . . . Army and Navy needs for goatskin, kid-skin, and cabretta (skin from “hair” sheep as distinct from wool) moved WPB to ask the industry to save skins by devising new methods, using substitutes . . . The skins are used in civilian trade for shoe uppers, especially on women’s shoes, for gloves and leather goods . . . Puerto Rico and the Virgin Islands may use molasses to make rum up to 90 percent of last year’s production . . . It’s their leading industry . . . The salvage drive (“Get in the Scrap”) now is organized in 23 States.

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PRICE ADMINISTRATION . . .

OPA and Agriculture declare aim in joint statement: to stabilize living costs and prevent inflation

Secretary of Agriculture Claude R. Wickard and Leon Henderson, Administrator of the Office of Price Administration, February 3 made public the following joint statement:

With the passage of the Price Control Act, the Office of Price Administration and the Department of Agriculture intend to spare no effort to prevent inflation. These two agencies share this important responsibility and we are in complete agreement as to objectives to be achieved. Successful prosecution of the war by ourselves and our allies requires that the disorganizing influence of inflationary price movements be eliminated. Preventing wartime inflation will minimize the danger of another post-war deflation, and so contribute to winning the peace. If inflation is to be controlled, it is now especially important that effective, positive steps be taken to stabilize the cost of living. The Department of Agriculture and the Office of Price Administration intend to pool resources to do all they can to accomplish this end.

Need abundant production

First of all we must have abundant production and the Department of Agriculture intends to see that every possible step is taken to insure abundant supplies for all. This has been and will remain the consumer's best assurance of fair prices. Government-owned stocks of grains and cotton will continue to be used to supplement private stocks. Farm legislation and the farm production goals for 1942 have now placed floors under the farm prices of all major products at levels sufficient to protect farmers in carrying out a great increase in production. Steps will be taken to keep feedstuffs at reasonable levels in order that increased production of meats and livestock products will not be hampered by high feed costs. The Office of Price Administration will use its powers to see that prices of the things that farmers buy are held down, so that farm production will not be restricted by unnecessarily high production costs.

To set price ceilings where necessary

A high level of production will not in all cases be sufficient. Where prices get out of line the Office of Price Administra-

New maximum prices set on black and white “spot” pepper, pepper futures

New maximum prices for both black and white spot pepper, ex-dock New York, as well as pepper futures on the New York Produce Exchange, Inc., were announced February 2 by OPA Administrator Henderson in Amendment No. 1 to Pepper Price Schedule No. 52. The amendment became effective February 3, 1942.

Lower ceiling on black

The new ceiling figure on Lampong black pepper is 6.50 cents per pound, or 1/4 cent less than the maximum named in the original schedule, issued December 11, 1941. The peak figure of 8.50 cents per pound on Aleppy black pepper remains unchanged. However, price ceilings on both Munlok white pepper and white small berries have been raised by 1/2 cent per pound to 11 1/2 and 10 1/2 cents per pound respectively.

Maximum prices originally set for pepper futures traded in on the New York Produce Exchange, Inc., are reduced 1/4 cent per pound, or exactly the equivalent of the reduction in the tenderable spot Lampong black pepper ceiling. OPA sources indicated that maximum prices for futures contracts for months, if any traded in after October 1942 shall not exceed 6.63 cents per pound. New ceiling on March 1942 pepper futures is placed at 8.63 cents per pound.

Soy and peanut oils under separate schedule

Maximum prices on soybean and peanut oils are established in Price Schedule No. 92, issued February 4 by OPA Administrator Henderson. The new amendment became effective February 4, 1942.

Ceilings on soybean oil are based on levels prevailing October 1, 1941, with an upward adjustment to conform with prices of competing oils and for other relevant factors. This adjustment is 3 1/2 cents per pound.

PEANUT OIL CEILINGS ON FLASHLIGHTS REVOKED

Revocation of the emergency schedule of December 10 which set maximum prices for flashlights, flashlight batteries, and flashlight bulbs was announced February 4 by OPA.
Wholesale tea prices put under control at sharply reduced levels

Maximum wholesale prices for tea, sharply lower than prevailing levels, were announced February 4 by OPA. The new maximums were effective February 3, 1942.

The prices fixed correspond to the October 1-15, 1941, level, as a result of study of considerations prescribed under the Price Control Bill. Tea prices increased sharply during mid-December as a result of the outbreak of hostilities in the Pacific and have continued extremely strong since that time.

Under the price order, the maximum price on common broken Orange Pekoe from India is placed at 44 cents per pound. The maximum price on common broken Orange Pekoe from Ceylon is fixed at 48 cents per pound.

Several important new features are contained in the tea price order. First, unlike the other food schedules, maximum prices for tea are established ex-warehouse New York.

In the second place, OPA has cut out existing contracts made prior to February 3, 1942, for sale of tea at prices over the new maximums. The importing and brokerage trade, who hold much of the bulk tea stocks on hand, reportedly have contracted to dispose of such stocks at substantially higher prices than the new maximums. OPA does not recognize the validity of such contracts in view of the actual cost of tea on hand in this country.

However, under the schedule, persons who have made forward sale commitments may apply to OPA for permission to carry out firm contracts at cost, if actual cost is higher than the maximum price established.

Sugar rationing

(Continued from page 1) agency subjects the person making the report to severe penalties under the United States Criminal code. These penalties may run as high as $10,000 fine or 10 years' imprisonment.

One registrant for each family

It is planned to require one person to register for each family unit, the latter including the mother, father, children, and wards. Other persons living in the household must register separately for their books except in such unusual cases as that of invalids, etc.

Persons living in a household but not a part of the family unit will not be considered as possessing any part of the stock of sugar held by the family unit and stamps will not be removed from their books to cover any part of such hoards.

When selling sugar storekeepers will be required to tear a stamp out of the buyer's book. These stamps will then be pasted on a card by the storekeeper. These cards will then be turned in to the supplier of sugar for the store in question, thus entitling the storekeeper to replenish his stock for sales in the following week.

WPB to keep supply moving

The rationing plan is being developed in full consultation with the food branch of the War Production Board whose responsibility it is to see to it that supplies of sugar in the country are so distributed that there is sugar in all stores when the rationing plan goes into effect and that supplies are kept flowing to stores in sufficient amounts each week to meet requirements of persons who will be seeking to buy sugar in the amounts permitted under the rationing plan.

Sugar retailers asked to help small industrial consumers

A. E. Bowman, head of the sugar section of the food supply branch of the WPB, February 3 appealed to grocery stores and other sugar retailers to take care of small industrial users who have bought sugar from them in the past.

Since the development of a sugar shortage several weeks ago, many of such small industrial users—such as a smaller bottler, or a neighborhood bakery or confectionery—are having trouble getting sufficient sugar on which to operate, according to reports received by the sugar section.

Revised ceilings slightly lower for all grades of "spot" cocoa, cocoa futures

New maximum prices for all grades of spot cocoa, ex-dock New York, as well as cocoa futures on the New York Cocoa Exchange, Inc., were announced February 2 by OPA Administrator Henderson, in Amendment No. 2 to Price Schedule No. 51. The amendment is effective February 3, 1942.

Ceilings slightly lower

These ceiling figures are slightly lower than those prevailing December 11, 1941, when the original schedule was issued. Accra main spot cocoa from Africa is set currently at 8.00 cents per pound, approximately 6 percent below the original peak. Superior Bahia (Brazilian) spot cocoa ceiling will be 8.70 cents per pound, or about 2.8 percent lower than the original.

Maximum prices set for cocoa futures traded in on the New York Cocoa Exchange, Inc., are reduced 1/4 cent per pound from the original schedule, matching the reduction made in the tenderable Bahia spot cocoa. OPA quarters emphasized that maximum prices for futures contracts for months, if any, traded in after December 1942 shall not exceed 6.66 cents per pound. Ceiling on March 1942 cocoa futures is placed at 8.50 cents per pound.

Effect of this provision by next December, it is felt here, may be partially to release holdings of "cash and carry" operators.

Originally to halt runaway prices

Explaining the changes in spot cocoa price ceilings, Mr. Henderson stated that the original schedule had been issued with the main objective to prevent runaway prices because of the outbreak of war. The Administrator, at that time, indicated a detailed OPA study on cocoa would follow. The early December quotations, taken as temporary ceilings, froze the abnormal conditions then existing in the spot market, the Administrator explained. For example, the premium on Accra cocoa over Bahia was fixed at 0.55 cent per pound.

The current ceiling spread of 0.20 cent between the two grades represents a closer to normal differential, since it is expected that a resumption of shipments of West African cacao will take place, thereby alleviating the Accra stock situation.

Other factors

Bahia spot cocoa price ceiling, ex-dock New York, was reduced slightly. However, good neighbor relations with producing countries should not be affected, since current prices are the best that have prevailed since 1937.

MORE OPA NEWS
BEGINNING ON PAGE 12
PRODUCTION . . .

System provides daily check on all military items and reveals instantly locations and causes of delays

Donald M. Nelson, chairman of the War Productions Board, announced February 2 the adoption of a system of daily progress reports by which top officials of the production program will be kept constantly informed of the exact status of all phases of the program and will be able instantly to discover the location and the cause of production delays anywhere along the line.

How the system works

The system was devised by Stacy May, chief of the Progress Reporting Division, and was being put into effect this week. It will work as follows:

The Progress Reporting Division will keep detailed reports up to date on each of the 300 principal military items being produced. Each day the chairman and top officials of the Board will receive a report sheet showing current progress on such items as need attention. On a given day this report sheet may include half a dozen or a dozen different items.

For each of those items, the sheet will show, first, the total quantity which must be delivered during the current month in order to meet the goals laid down by the President. In addition, it will show the quantities delivered each day during the month, presenting a cumulative total so that a glance will show whether the program is being met for each item.

To take an imaginary example: Suppose the daily sheet reveals that the production of M-3 tanks is behind schedule. The chairman or other responsible official will then call on the Progress Reporting Division for a breakdown report on tanks. This report will come to him immediately and will present tank production figures broken down in terms of the principal component parts—in other words, it will show progress in the production of tank hulls, tank motors, tank transmissions, tank guns and so on. Inspection of this sheet may show that all of the necessary components are being produced on schedule except the transmissions. Production of tank transmissions would thus be revealed as the bottleneck in the tank program.

The Progress Reporting Division will then have available for the chairman additional reports, compiled either monthly or bimonthly, showing the production of the various components by the individual manufacturers. To follow the imaginary example farther: If the daily sheet shows the chairman that tank production is behind schedule, and the first breakdown sheet shows him that it is the production of transmissions which is causing the delay, he can then get this second break-down sheet which will show him the production figures for each manufacturer who has contracted to make transmissions.

A half-hour service

Thus, within about half an hour the chairman and his aides will know exactly where the difficulty is and will be able to take the necessary action.

Once a month copies of the over-all reports showing progress on all 300 items will be distributed. For the daily reports, however, figures will be submitted only on such items as need constant watching.

Typewriter industry to be converted to production of small arms, ammunition

The typewriter manufacturing industry that built well over 1,000,000 machines last year will limit substantially its normal production this year and convert its facilities to the production of ordnance, it was announced February 3 by War Production Board officials.

To name industry committee

Exact orders are to be drafted later, after conferences between the WPB and members of an industrial committee to be named by all of the typewriter manufacturing companies. The meeting February 3 was presided over by N. G. Burleigh, chief of the industrial and office machinery branch of the industry operations division of WPB. Among those representing WPB were William H. Harrison, Director of the Production Division, J. S. Knowlson, Director of Industry Operations, Philip D. Reed, Chief of the Bureau of Industry Branches, and members of their staffs. Army Ordnance officers and representatives of other Government agencies also participated.

Tentative quotas suggested

In asking the typewriter industry to convert to the greatest possible degree for war production, the WPB suggested as a basis for consideration a tentative quota of typewriter production that would cut by 20 to 25 percent the number of "standard" machines to be made during the next 3 months as compared with the number made during the same period of 1941. A reduction of about 40 percent in the "standard" type of machines and about 80 percent in the portable type was suggested to take effect ultimately.

Details of the quotas will be subject to further consideration. Membership in two subcommittees; one for curtailing of typewriter production and the other for conversion to war work, will be announced later.

Meanwhile the facilities of the industry freed by the cut in typewriter production will be converted to the manufacture of such items as small arms, ammunition, primes, fire control instruments, fuzes, rifles, pistols, and parts for aviation instruments. Some companies already are making these items on a modest scale.

"The job will be done this year"

"We have to search out every possible facility to get a number of items made during 1942," Mr. Harrison told the manufacturers. "There is no sense in talking about 1943. The job will be done this year. There are billions of dollars in new orders that will be given out and you must do your share. Those of you who are working on orders now must bring forward your schedules. You must help out other prime contractors who have orders originally scheduled for delivery in 1943 and 1944. It will mean, in some cases, interchange of management, tools, and manpower. It is a job we all have to do together and to begin doing today."

Pears that the typewriter industry might not be able to turn out pieces with the close tolerances demanded of ordnance items were allevied by Mr. Knowlson who cited the case of other industries that had been doing the job properly for some time.
Control of second-hand machine tools tightened by order of Operations Division

Sales and deliveries of second-hand machine tools will be more closely controlled under General Preference Order No. E-4 issued February 3 by J. S. Knowlson, Director of Industry Operations of the War Production Board.

The order makes all provisions of Priorities Regulation No. 1 apply to transactions in second-hand tools, just as those provisions apply to sales and deliveries of other merchandise. Second-hand tools have been under very little priority control, and often critical second-hand tools have been purchased by companies not engaged in the most urgent war production.

Power to forbid sale

The Director of Industry Operations, or persons authorized by him, may prohibit the sale or other disposal of any specific second-hand machine tool until further notice, under the order. In such instances the director will determine to whom a particular tool should be allocated and an allocation order will be issued.

Greatly increased machine tool building and interchange reported by Harrison

A report indicating that the machine tool bottleneck is being widened by greatly increased building of new tools and wide-scale use and interchange of existing tools by such groups as the automobile industry was made February 4 to the War Production Board by Production Director Harrison.

In round figures, Mr. Harrison reported, the 1942 requirements for machine tools and related metal working machinery are about $2,000,000,000. The 1941 output, he said was $840,000,000 and present production is at the annual rate of $1,100,000,000.

Matching tools and work

"A total of two billions for the year," he said, "seems reasonable of attainment." He emphasized, however, that the problem is not over-all production for the year, but rather the matching of available tools and work in the early months so that production schedules can attain high levels essential to 1942 objectives.

Mr. Harrison stated that the direction of the work of the tools branch has been reorganized and that the personnel under the new chief, George C. Brainard, appointed January 1, is being strengthened.

Moves "aggressively under way"

To match machines and requirements, Mr. Harrison listed several moves that are "aggressively under way." These included:

Personal discussion of individual production problems with substantially every machine tool builder in the country.
Finding new producers and subcontracting parts and complete machines.
Sustained emphasis on more extensive use of used tools including certain types, particularly critical, shipped from England.
Simplification of sizes and designs.
Proper planning and effective use of tools available.

Greater interchange being effected

"With the establishment in the field of conversion groups like the automotive group in Detroit," Mr. Harrison reported, "greater use and interchange of existing tools between companies is being effected. There will be extension of this to other fields. The underlying approach is to bring the work to the tools and these possibilities are to be exhausted before moving tools."

One particular problem being solved is that of expanding the production of perishable cutting tools such as twist drills, reamers, milling cutters, hobs, broaches, taps, and turning tools.

Explained to all builders

"During the past 60 days," Mr. Harrison said, "substantially every machine tools builder has had placed before him the broad outline and many of the details of what is expected of him. This has been done through group meetings followed by personal discussion and examination with the manufacturer in each instance by the head of the tools branch and myself—by field visits one or more times to each plant by our engineers."

Survey made of "critical" metal-working machines in effort to speed output

Automotive companies were asked February 4 by Ernest Kanzler, chief of the automotive branch, WPB, to report by February 15 the number, status, and use of so-called critical metal-working machines held by each.

Check on available facilities

Mr. Kanzler's request was made from Detroit by telegram, and specified 25 varieties of multipurpose machines. It went to all automobile and truck manufacturers and about 150 largest makers of parts and suppliers to the industry.

"In making this telegraphic survey," Mr. Kanzler said, "we are seeking to obtain specific information from all industries out of which we can form a well-rounded picture of available machine facilities. This is necessary in order to obtain quickly some machines to bolster low capacity spots in production lines now running on most urgent war material."

"With this type of information, we would expect to put those machines to work where they will develop a maximum war output. In that way we will be able to make an immediate speed-up in this program, get production and put the people who are anxious to do their part, back to work."

Mr. Kanzler said this survey represented a necessary preliminary to allocating orders in the Government's efforts to use all available and useful machinery in production of the weapons and goods most needed by the armed forces.

Machines on critical list

The "Critical List" of metal-working machines which are included in the survey, follows:

Horizontal boring machines, jig boring machines, vertical boring machines, chambering machines, honing machines, deep hole drilling machines, radial drilling machines, turret lathes, gear grinding machines, internal grinding machines, tool room lathes, thread milling machines, engine lathes—24" and up, milling machines, planers—36" and up, multiple spindle automatic profiling machines, rifling machines, bar machines, forging machines, and thread grinding machines.

P. V. MOULDER ADDED TO AUTOMOTIVE COMMITTEE

P. V. Moulder of Chicago, vice president of the International Harvester Co., has been added to the automotive industry advisory committee.
MATERIALS . . .

Steel users urged to take advantage of strip mills, save wide plates for war

The steel industry must take the lead in getting users of steel plate to change design in order to take advantage of added capacity from strip mills, C. E. Adams, chief of the iron and steel branch, told the steel industry advisory committee meeting in Washington February 4.

A report on plate production was presented to the committee by J. V. Honeycutt and J. L. Block, executive consultants, as the result of a recent survey of the entire industry.

Present production capacity

The industry has, at present, capacity to produce 922,100 tons of plate a month, the survey revealed, coming from 77 mills.

These comprise 28 sheared plate mills with a total monthly capacity of 401,100 tons; 22 universal plate mills with a total monthly capacity of 125,000 tons, and 27 strip mills with a total monthly capacity of 406,000 tons.

The rated capacities were predicated on an average range of orders and on present shearing and other finishing facilities. Furthermore, due allowance was made in certain instances for other important steel products urgently needed in the war program and produced on the same equipment.

Included in the strip mill tonnage are ten wide continuous strip mills, operated by nine companies, all of which can produce plates up to 72 inches wide, and three of which can produce plates up to 90 inches wide. The combined monthly plate capacity of these ten mills is 303,500 tons. Maximum thicknesses produced on these mills vary from ⅜ to ⅜ inches.

Requirements must be redesigned

Among the sheared plate mills there are only thirteen operated by eight companies, which can produce plates 90 inches and wider, more than ⅜ of an inch thick. The combined plate capacity of these mills is 227,300 tons per month.

It is in the last mentioned category that there appears to be the greatest demand for plates for the war program. It is, therefore, essential that no plates be produced in these mills which can be rolled on other mills and that, to the greatest extent possible, requirements be redesigned to permit their production on the strip mills.

Additional capacity under construction

There is now under construction additional capacity which will be available at various times throughout 1942 and into the early part of 1943, totaling 46,000 tons per month. Most of this capacity is in sheared plates.

Due to various size limitations, it is not thought likely that the full capacity of 922,100 tons per month can be attained. However, the industry should be able to produce well over 800,000 tons of steel plates per month.

Plan allocation of iron, steel scrap

December plate production, the largest on record, was 625,812 tons. January figures are not yet available, but it is believed that January production will be approximately 700,000 tons.

Comprehensive plans also are under way, it was announced, for a complete iron and steel scrap allocation program. Present allocations are made only in emergencies. It is the intention of the branch to expand this into a scrap allocation system that will replace the present buying system of mills.

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CHROMIUM NOW UNDER COMPLETE ALLOCATION

Chromium, already strictly controlled, February 4 was placed under a complete allocation system by the Director of Industry Operations by an amendment to Order M-18-a.

The amended order provides that no chromium may be melted except with specific authorization of the Director of Industry Operations. It is designed to prevent depletion of existing stocks, and to control further the flow of this important steel alloy.

The February 4 order, together with Order M-21-a which limits the uses of chrome steel, makes use of the metal completely subject to the Director of Industry Operations.

M-18-a, as amended February 4, revokes Order M-18 and takes effect upon issuance. It expires on June 30, 1942.

Priority forms and orders generally may be reproduced

All priority forms and orders, with a few exceptions, may now be reproduced, according to the terms of Priorities Regulation No. 5, issued February 5 by the Division of Industry Operations.

The Regulation applies to all documents hereafter issued, and to those issued hereafter, except in cases where reproduction may be specifically prohibited.

Copies of any order which contains the name and address of the producer or other person to whom the order is issued, or a serial number identification, may not be reproduced without the name and address and serial number unless they are clearly marked "Information Copy."

Reproduction for use of the new application form, PD-1A, is permitted if copies are identical with the officially published version as to wording, paragraphing, punctuation and size, and substantially the same as to color and paper.

The new Form PD-3A may not be reproduced for use, but copies clearly marked "Specimen Copy" may be made for purposes of information.

Reproduction of the following forms and orders is prohibited except that the restriction shall not apply to the reproduction of any form (as distinguished from order) where such reproduction has the words "Specimen Copy" clearly set forth on the face thereof, nor shall the restriction apply to any reproduction hereafter expressly permitted by the Director of Industry Operations:

- PD-1-c; PD-3; PD-3A; P-25-a through P-25-g; P-26-a through P-26-c; P-35

Reproduction of the following orders is limited to reproduction by or for producers (not suppliers) operating under said orders:

- P-16; P-7; P-7-a through P-7-g; P-35

Reproduction of the Order P-41 is limited to reproduction by persons entitled to apply the preference rating.

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February zinc pool raised 9 percent over January

Zinc pool requirements for February were increased 9 percent over January in an order February 2 by the Director of Industry Operations setting the February figure at 40 percent, based on November 1941 production.

The zinc oxide pool for the month is doubled, from 10 to 20 percent. No zinc dust is set aside for the month.
INDUSTRIAL OPERATIONS...

Use of tin for can manufacture cut again; tin plate output to be on quota basis

The tin in cans will become thinner according to the terms of Order M-21-c, issued February 4 by J. S. Knowlson, Director of Industry Operations.

Previous standards were 1.35 pounds of tin per base box of tin plate. The February 4 order reduces that to 1.25 pounds. Specific authorization may be given for foods which require a heavier coating to avoid contamination.

Quotas established

The order which became effective immediately, also sets up a quota system for tin plate, terneplate and long ternes. Quotas have not yet been decided and will be announced later.

Because of the stringent tin situation as a result of war in the Far East, tin users will be permitted to cover only a limited supply until such time as supplies become more plentiful. The February 4 order incorporates the provisions of Tin Conservation Order M-43-a and Lead Conservation Order M-38-c, which restrict uses of these metals.

Users of pig iron, scrap must file PD-70 to get allocations

Users of pig iron and pig iron scrap are not relieved of the necessity of filing Form PD-70 with the iron and steel branch, War Production Board, by the use of any other forms relating to iron and steel scrap, officials of the branch announced February 3.

Forms PD 149, 150, and 151, which are returnable to the Bureau of Mines at Pittsburgh, Pa., are designed to cover scrap for the production of steel.

Form PD-70 relates to the inventory and consumption of pig iron and is the form on which monthly allocations of pig iron are based.

Late ones to be left out

It was pointed out by the branch that unless PD-70s are received, and received on time, from all users, allocations for the month following cannot be made equitably. Warning was given that in the future those who are late will be left out of allocations for the following month.

When the quota of tin plate to be manufactured is announced, it will be followed by a container order allocating the amount of plate available for cans among the several users. A preliminary order limiting the use of cans for certain forms of packaging already has been issued.

The reduction in the amount of tin used in the manufacture of cans is the second since the start of the present emergency. The first reduction was from 1.50 pounds per base box to 1.35. A base box of tin plate averages 100 pounds, of which tin will constitute 1.25 pounds under the new order.

Ternenate is composed of a steel sheet coated with an alloy of 20 percent tin and 80 percent lead. It is used for cans other than food where there is no danger of contamination. Paint cans are an example.

Long ternes are steel strips similarly coated and are used for roofing. The order prohibits the use of long ternes except on ratings of A-10 or higher.

Deadline set for receipt of Form PD-189

A deadline of February 9, 1942, for receiving Form PD-189 from manufacturers using copper or copper-base alloy materials and parts under Section (a) 4 of Order M-9-c was set February 3.

The order prohibits use of copper and copper-base alloy material and parts after January 1, 1942, in the manufacture of articles on List "A" of the order unless the manufacturer can fulfill certain-conditions contained in Section (a) 4 of the order, in which case he can continue until March 31, 1942. One of the conditions is that the manufacturer file Form PD-189.

PD-189 would not be accepted after February 9, 1942, the branch emphasized. Failure to file the form prior to that date would make the use of copper or copper-base alloy material or parts in the manufacture of products on List "A" illegal from January 1 on and subject to penalties.

Completion of 719 ambulance chassis is authorized

Because of the need for an adequate supply of ambulances and in view of possible emergencies in coastal cities, the War Production Board has instructed the Cadillac Motor Car Division of General Motors Corporation that it may complete production of 719 special ambulance chassis on immediate schedules and may exclude these chassis from January quotas for passenger cars.

These special chassis are to be distributed equitably among the nine ambulance body manufacturers. The Cadillac Division has on hand available parts to complete this production. The instruction from the War Production Board was necessary because the February 1 ban on passenger cars would have prevented completion of the chassis.

The War Production Board has also instructed the Hug Company of Highland, Ill., that it may produce 50 medium or heavy trucks during February. This is an increase of 47 in the February quota of the Hug Company and was decided on because of the prospect of "exceptional and unreasonable hardship" which would have resulted otherwise. The increase, although a temporary one for February, will keep the plant in operation and make its facilities and men available for additional war production of heavy duty trucks.

Ban on sales of 1942 trucks, trailers extended to Feb. 11

An order extending from February 2 to February 11 the ban on sales of 1942 model light, medium, and heavy trucks and truck trailers was issued February 1 by J. S. Knowlson, Director of the Division of Industry Operations.

Exceptions for certain military and Government requirements are continued, and the order also continues the prohibition on retail sale, lease, trade, loan, delivery, shipment, or transfer of any new light, medium, or heavy truck or truck trailer. The restrictions do not apply to sales or deliveries by a distributor or dealer to another distributor or to another dealer.

The February 1 orders constitute amendments to Limitation Orders L-1-c and L-3-e.
All field activities of WPB merged in new field operations bureau to speed service

Consolidation of all field activities of the War Production Board in a new Bureau of Field Operations was announced February 5 by Donald M. Nelson, WPB Chairman.

The new field bureau will be under the Division of Industry Operations which is headed by James S. Knowlson.

Priorities, contract offices merged

Merged under the new set-up are the 45 field offices hitherto maintained by the Priorities Division and the 113 offices operated by the former Division of Contract Distribution. Steps will be taken to coordinate any other field activities of the War Production Board within the framework of the new bureau.

Mr. Knowlson made the following explanation of the new move:

In the interests of sound organization and administrative procedure, it is necessary to have all field activities handled through the same administrative channels.

For administrative purposes

This will help give faster, more efficient service in the field to business and industry, the need for which becomes more pressing every day as the war load picks up and as industries and plants convert to war work.

The policy staff decisions in priorities will continue to be made through the Bureau of Priorities; the policy decisions in the increasingly important field of subcontracting will continue to be made within the Division of Production, to which the Division of Contract Distribution was transferred when the War Production Board was set up.

However, for administrative purposes, field activities in both areas will be handled through the new Bureau of Field Operations. This should facilitate prompt decisions and actions.

To report through Bureau

The existing field offices are instructed to continue their present activities without any interruption whatever. It is expected that existing staff and personnel in the field will be retained, insofar as possible. Organizational details are being worked out and will be transmitted to the field offices shortly.

As the two field staffs are merged, the field offices will report to Washington through the Bureau of Field Operations, and this bureau will handle any clearances which may have to be taken up with the Bureau of Priorities or with the subcontracting section of the Production Division.

In turn, the Bureau of Priorities and the subcontracting officers of the Production Division will channel all field matters through the Bureau of Field Operations.

This will provide centralized responsibility in Washington for field operations, whether the matters involved are going to the field or coming from the field.

L. Edward Scriven, formerly in charge of the priorities field offices, will head the Bureau of Field Operations and will report to Mr. Knowlson. Walter H. Wheeler, former deputy director of the Division of Contract Distribution, will remain in charge of subcontracting staff activities under William H. Harrison in the Production Division.

**COOKING APPLIANCES COMMITTEE FORMED**

The formation of a domestic cooking appliances industry advisory committee has been announced. W. Hammerly is Government presiding officer. Members are:


All forms of cobalt to be allocated; banned in pigments after May 1, other uses curbed

"Cobalt blue" enlisted for the "duration" February 7 with the issuance by J. S. Knowlson, Director of Industry Operations, of Conservation Order M-39-b.

At the same time, an amendment was issued to General Preference Order M-39 placing cobalt in all forms under an allocation system. Previously, only metallic cobalt and chemicals to be processed into metal were allocated.

Glass industry affected

Order M-39-b prohibits the use of cobalt in all pigments after May 1 and restricts its use until that time to 40 percent of the amount used in the first 6 months of 1941.

Most seriously affected will be the glass industry, particularly in the production of blue bottles. Ceramics also will suffer, but to a lesser extent.

Blue optical glass and blue glass for other safety uses are not included in the prohibition.

Other restrictions

Items made of cobalt not covered by the prohibition are restricted until March 31 to 23 percent of the amount used in the first 6 months of 1941, and after that date to 35 percent in any calendar quarter.

A number of exceptions are made. These include military orders and orders from certain other Government agencies, on ratings of A-1 or higher, and for these uses:

Chemical catalysts, cattle and plant food, chemical reagents, cobalt alloys of all kinds, decolorizer for glass, dryers, ground coat frit, hard facing compounds, laboratory and research equipment, pharmaceuticals, plating, and health supplies.

**Industrial repair shops eligible under requirements plans**

Job platers, machine shops, motor rewinding shops, and other shops performing industrial repairs are eligible for priority assistance under the Production Requirements Plan, or the Modified Production Requirements Plan for small business (see Victory, February 3), it was announced February 5 by the Division of Industry Operations.
Makers of conveyor machinery, auxiliary equipment, are eligible for priority aid

Producers of conveyor machinery and auxiliary equipment are eligible for priorities assistance under the Production Requirements Plan and should file the necessary application forms (PD-25A) with the industrial and office machinery branch as quickly as possible. It was announced February 3.

Assistance to manufacturers of this heavy machinery, which is used to transport materials in and around mines and manufacturing plants, previously had been available under Preference Rating Order P-78, which expired January 31. Under this order, an A-3 rating was applied to deliveries of materials going into the manufacture of the equipment.

** Must file forms**

The industrial and office machinery branch will process all PD-25A forms received from the manufacturers. Unless these forms are filed, manufacturers cannot qualify for assistance under the Production Requirements Plan.

** SIDNEY SHERWOOD NAMED EXECUTIVE OFFICER**

Appointment of Sidney Sherwood as executive officer of the Division of Industry Operations was announced February 3 by J. S. Knowlson, Director of the Division.

Mr. Sherwood served as executive officer of the Division of Farm Credit Administration in 1933, and in 1934 moved to the Office of the Secretary of the Treasury, working on standardization of organization of field offices and later was district supervisor of the Alcohol Tax Unit for New England and coordinator of all Treasury Department enforcement agencies including the Secret Service, Narcotics, Customs, Intelligence Unit, Alcohol Tax and Coast Guard.

In June 1940, Mr. Sherwood was appointed assistant secretary of the Advisory Commission to the Council of National Defense. When OPM superseded NDAC in January 1941, Mr. Sherwood was made director of Central Administrative Services of the Office for Emergency Management, and in September 1941, he became assistant liaison officer of OEM.

** ETHYL ALCOHOL ORDER SUSPENDED TO FEBRUARY 8**

Because distilleries lack storage capacity for ethyl alcohol, operation of Order M-49 requiring them to produce all the alcohol possible and forbidding them to use their facilities otherwise, was suspended until February 8, the Director of Industry Operations announced February 3.

Meantime, arrangements are being made for continuous distribution of alcohol produced by distilleries, which will obviate the necessity for storage.

** Bristle distribution controlled; 45 percent substitutes required**

To further conserve supplies of pig and hog bristles, the War Production Board February 4 issued an amendment to general preference order M-51. The amendment, which also directs bristle distribution, was signed by J. S. Knowlson, Director of Industry Operations.

The principal provision of the amendment makes it mandatory after February 7, 1942, for anyone using bristles in the manufacture of any product not meeting War or Navy Department specifications to use 45 percent of some other bristle mixture than that of pigs and hogs.

Brushmakers will hereafter need supplies of horeshair, nylon bristle, sisal, istle and badger hair to eke out their supplies of imported hog bristle.

Paint brush, toilet brush, shaving brush, hair and scrub brush manufacturers will feel the shortage of Chinese hog bristles, cut off during the last 7 weeks of war in the Pacific. Wool carders may use wire or Mexican and Cuban sisal fiber, as the hog bristle supply dwindles.

Hog bristles, because of their split ends and tapered, spindle shapes, are of great value in paint brushes. Supplies are still being imported from the Near East, but further restrictions may call for reclamation of brushes and extensive use of dipping, spray guns and rollers.

Further restrictions are placed by the amendment on the sale and delivery of hog bristles and the use of bristles by dealers and manufacturers.

The order also permits deliveries of reclaimed bristles to dealers and the Defense Supplies Corporation. It permits sorting operations, in order to remove bristles of less than the control length and to permit the manufacture of minimum inventories of war products.

Penalties against Chicago firm modified to fill war orders with additional aluminum

Modification of the penalties imposed by Suspension Order S-1, which was issued October 18, 1941, against the Central Pattern & Foundry Co. of Chicago, Ill., was announced February 2 by the Director of Industry Operations.

The order as originally issued prohibited the company from receiving or delivering any aluminum or aluminum product except in connection with a specified list of defense orders which were on the company's books at the time. The amendment permits the company to handle additional specified quantities of aluminum to fill war orders listed in the amendment.

Permission to fill these war orders is being granted to the Central Pattern & Foundry Co. because of the present need to use all available facilities for the handling and fabrication of aluminum for war purposes. The company is also permitted to accept additional orders for delivery of aluminum or aluminum products which will be made after March 31, when the suspension order expires.

** IRVING J. REUTER NAMED ASSOCIATE TO KANZLER**

In one of the most important moves since he became chief of the automotive branch of the War Production Board, Ernest Kanzler announced February 4 in Detroit the appointment of Irving J. Reuter, former president of the Buick Motor Co., as his associate.

Mr. Reuter, whose home is in Biltmore, N. C., took over his new post February 6.

He will give his full time to assist in getting the automotive industry on a total war production basis.

From 1909 to 1925, Mr. Reuter was with Remy Electric Co., first as assistant engineer, then factory manager, and later general manager. In 1925, he became general manager of the Olds Motor Works, remaining in that position for 4 years.

In 1930 and 1931, he was president and general manager of the Oakland Motor Co. In 1930, he also was engineering director of Opel Motor Works. Mr. Reuter was president and general manager of the Olds Motor Works and the Buick Motor Co. from 1931 until his retirement in 1933.
Informal agreements on petroleum and products merged into single formal schedule to protect industry and public

Maximum prices for petroleum and petroleum products at levels already prevailing as a result of OPA requests and voluntary agreements made by members of the industry are established in Price Schedule No. 88, announced February 4 by OPA Administrator Henderson. The schedule became effective at once and the prices established are those posted for crude petroleum and the lowest quoted for petroleum products on October 1, 1941.

Few price changes made

Provisions are made, however, for special situations, covered in specific agreements and price schedules already effective.

One change from current price establishment practices is the setting of October 1, 1941, instead of November 7, 1941, as the base for refined petroleum products. This was done, Mr. Henderson explains, to conform with provisions of the Price Control Act, which requires consideration to be given to prices prevailing in the period October 1 to October 15, 1941. However, relatively few changes in prices are expected, since prices as of October 1, 1941, and November 7 are in general at the same level.

Price stabilization in the petroleum industry was initiated on the basis of informal agreements between the Office of Price Administration and members of the industry. The increasing scope of control and the growing multiplicity of informal agreements and understandings, however, made it desirable that they be consolidated into a single formal price schedule. This will serve two purposes: to clarify the price policies of OPA and to protect the industry and the public from the effects of unwarranted price increases.

Almost all types covered

The schedule covers all types of petroleum and petroleum products with the exception of asphalt, industrial lubricating oils, industrial naphthas and solvents, greases and specialty products such as household oils and spot removers.

Maximum prices established include those on all domestic, export and import transactions, sales, transfers, exchanges or purchases of crude petroleum, and on all domestic, export and import transactions, sales, transfers or exchanges of petroleum products, involving contract, bid or spot sales of crude petroleum at the well, the gathering point, tank farm or terminal and of petroleum products for cargo or barge shipment, harbor, refinery, terminal, tank car and tank wagon delivery.

Prices for petroleum products sold at retail by service stations, garages, and stores are not governed by the schedule.

The posted prices for crude petroleum as of October 1, 1941, are established as the maximum prices except that if premiums were being paid under contract on that date, the premium payments will be allowed.

On refined products, the price is determined by the lowest posted or quoted prices published in the first issues of designated trade journals on or after October 1, 1941. Where no price was published in those issues for a product in a particular market, the price applicable to the last sale prior to October 15 will govern. In the event that the price cannot be determined by either of these methods, the maximum shall be the actual price prevailing at the point in question on October 1.

Maximum wholesale prices set on women’s Nylon hosiery to check profiteering

Recent substantial increases in wholesale prices for women’s Nylon hosiery are wiped out in a ceiling schedule issued February 5 by Price Administrator Leon Henderson, who warned at the same time that “retail prices already are as high as they can be permitted to go.”

The February 5 schedule, No. 95, became effective at once and prohibits the sale of Nylon stockings by manufacturers, wholesalers, and jobbers at prices above the highest prices charged during the period October 1 to October 15, 1941. Sales at retail are specifically exempted.

“Inflationary price increases and profiteering in Nylon hosiery have appeared in wholesale markets in recent weeks,” Mr. Henderson stated. “These advances, which are not warranted by any substantial rises in cost of manufacture or distribution, inevitably would spread to the retail level if allowed to stand. Retail prices of Nylon hosiery already are as high as they can be permitted to go.

“The maximum price schedule issued February 5 applies at the manufacturing and wholesale level and brings prices back to where they were before the recent speculative increases occurred. The public has every right to expect that the benefits of this move will be passed on to it.”

The February 5 ceiling covers both full-fashioned and seamless (circular knit) stockings, whether of “all Nylon” or “Nylon leg,” in 20, 30, or 40 denier, all gages up to and including 54 and, in the case of seamless, all needle counts. Nonrun, lace, fancy mesh, and other special constructions also are included.

* * *

BENSON ASSISTANT DIRECTOR

George C. S. Benson, professor of public administration at Northwestern University, has been appointed assistant director in charge of field coordination for the Office of Price Administration, Assistant Administrator Galbraith announced February 3.
Scrap rubber ceilings mostly at levels of late 1941, to encourage flow

Maximum prices at which principal grades of scrap rubber may be sold to consumers, except for repair, reconditioning, or the manufacture of tire repair materials, are fixed in Price Schedule No. 87, issued February 2 by OPA Administrator Henderson.

For automobiles and truck tires, maximum delivered prices are fixed at seven different reclaiming centers, with appropriate geographical differentials. Akron's ceiling price for beadless automobile and truck tires, the principal grade of scrap rubber bought by reclaiming plants, is placed at $24 per ton.

Maximum delivered prices for specialty grade tire parts and peelings and for inner tubes are uniform for the area east of the Rocky Mountains, with a lower price level for the Los Angeles reclaiming center.

Maximum price for red passenger car inner tubes east of the Rockies is fixed at 7½ cents per pound.

To encourage flow

Scrap rubber prices rose steadily during 1941, Mr. Henderson declared. He pointed out that prices just prior to our entry into the war were highly profitable.

"Nevertheless, the Administrator said, "we have used the price level prevailing during October and November 1941 as a basis in fixing maximum prices and have made minor reductions below this level only on certain specialty grade tire parts that unquestionably were inflated. Our purpose is to encourage the fullest possible flow of scrap rubber to reclaiming plants at prices consistent with costs of collection and accumulation and with reasonable profits. We now expect dealers at all levels of the scrap market to put forth their maximum efforts to bring in scrap rubber. Hoarding will be dealt with severely."

Geographical differential

One of the principal features of the schedule is a provision that a reclamer may pay, in addition to the ceiling price for scrap tires, the amount by which the freight charge to his plant from point of origin exceeds $8 per ton. This provision is designed to give every incentive to the collection of scrap rubber in areas remote from reclaiming plants.

Recognition has also been given to the service of accumulating large quantities of scrap rubber which is performed for reclaimers by the larger dealers in the trade. Such recognition is provided in the form of premiums which may be charged consumers on sales of more than 750 tons of scrap tires, 400 tons of scrap tire parts, or 150 tons of scrap inner tubes, delivery to be made within 60 consecutive days.

Prices for oil-field equipment discussed at Dallas meeting

Further measures to stabilize prices of oil field equipment were to be discussed at a meeting February 11 in Dallas, Tex., between representatives of approximately 250 manufacturers and officials of the Office of Price Administration, Administrator Henderson announced February 3.

Requests that manufacturers of oil field equipment hold their prices stable were made by Mr. Henderson some time ago.

The February 11 meeting was to be open to all manufacturers of oil field equipment, whether or not specific invitations were received. C.L. Christenson, head of the oil field equipment unit of OPA's machinery section, was to preside.

Tire specifications imminent, designed to save large quantities of crude rubber

Members of the rubber industry advisory committee were advised by War Production Board officials February 4 that an order will be issued shortly setting forth tire manufacturing specifications designed to save approximately 20,000 tons of crude rubber annually.

To use less crude rubber

The specifications will call for less consumption of crude rubber in all types of tires except those used on airplanes. The crude rubber content of tires used on farm implements, for example, is expected to be reduced by from 50 to 70 percent, and that of heavy duty tires used on military trucks about 15 percent.

The point of these specifications is that they make large savings of crude rubber with only insignificant reduction in tire wear and service.

Specifications covering the manufacture of a variety of other rubber products also will be issued by WPB in an effort to conserve rubber supplies.

The committee was told that the Army and Navy have made substantial savings in use of crude rubber, and that studies are being made daily to determine where greater conservation is possible. Savings already accomplished have resulted in part from reduction of the crude rubber content of Army-type gas masks, and Navy degaussing cable, elimination of sponge rubber from the seats of Army "Jeeps," and elimination of some uses of sponge rubber in tanks.

May restrict reclaimed rubber

Supplies of reclaimed rubber are adequate at the present time, Government officials said, but export requirements and increased use resulting fromcurtailment of crude rubber consumption may make necessary eventually the issuance of an order to restrict its use to essential products only.

The committee was asked to furnish information on the location and availability of plant floor space and machines that might be used in conversion to war work.

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Prices adjusted for used steel barrels, drums

Modifications of Price Schedule No. 43, covering used steel barrels and drums, were announced February 2 by OPA Administrator Henderson, in Amendment No. 2 to this schedule. This amendment became effective February 2, 1942.

Ceiling limited to three classes

One of the features of the amendment is limitation of the ceiling to three classifications of barrels and drums only. These are the 50- to 68-gallon capacity; the 29- to 33-gallon capacity; and the 14- to 16-gallon capacity. These three sizes include 98 percent of all steel barrels and drums in use. No other capacities than these are covered by the ceiling as amended.

The ceiling price for raw used drums has been extended to any purchaser, instead of only the user and reconditioner as before.

Reclaimed rubber prices

Discontinuance of cash discounts on sales of reclaimed rubber is permitted by Amendment No. 1 to Price Schedule No. 56 issued February 3 by OPA Administrator Henderson.

The amendment also fixes a uniform price ceiling of 12 cents per pound for red tube reclaimed rubber having a specific gravity of 1.15 to 1.32, delivered in carload lots at consumer's plant.
Mercury prices curbed by OPA ceiling; steps taken to increase, conserve supply

Maximum prices for mercury, or quicksilver, lower than prevailing market prices, were established February 4 by OPA Administrator Henderson in Price Schedule No. 93.

The schedule, effective February 4, 1942, fixes maximum base prices for prime virgin mercury produced in California, Oregon, Washington, Idaho, Utah, Nevada, and Arizona, at $191 per 76-pound flask f. o. b. point of shipment, and for mercury produced in Texas and Arkansas at $193 f. o. b. point of shipment. These maximum prices are approximately the prices which prevailed from October 1 to October 15, 1941, and are more than adequate to assure a high rate of mercury production.

Dealers regularly engaged in buying and selling mercury on their own behalf are permitted by the schedule to add a premium of 2 percent of the applicable maximum base price in addition to actual transportation costs. Brokers are allowed a 1 percent commission from the consumer.

“Prices ran up”

Current market prices for mercury are about $198 Pacific Coast, equivalent to about $202.50 New York. Mercury prices ran up quickly upon the outbreak of war in September 1939. Normally, the United States imported about one-third of its mercury requirements from Spain and Italy. Cutting off of such supplies resulted in a sharp increase in price. Subsequently, demand enlarged substantially and price advances continued, although at a somewhat slower pace. On March 28, 1941, Leon Henderson, then commissioner of the Price Stabilization Division, National Defense Advisory Commission, issued a warning that the then prevailing price was too high. A second warning against price advances was issued on August 15, 1941, by Mr. Henderson. Action taken by the OPA February 4 will stabilize prices of mercury-containing drugs, chemicals, and other articles, which are essential for national defense and important civilian purposes.

Nonessential uses restricted

Steps have recently been taken to increase and conserve the mercury supply. Under Conservation Order M-78, issued recently by War Production Board, certain less essential civilian uses of mercury have been eliminated and others reduced in order to conserve supplies for necessary national defense demands. The supply of mercury is further being increased by Metals Reserve Co.’s imports from Mexico.

The schedule also fixes a maximum price for mercury imported from Mexico at $193 f. o. b. point of entry. This is approximately the price at which Metals Reserve Co. is selling Mexican mercury at Laredo, Tex. Maximum prices likewise are fixed for mercury which is produced outside continental United States and Mexico, and which enters the country through Pacific Coast ports, at $191 f. o. b. point of entry.

** Get mercury from usual channels, not stock pile, WPB asks **

Officials of the miscellaneous minerals branch, War Production Board, February 4 asked manufacturers and contractors who use mercury in filling defense orders to obtain their mercury from the usual trade channels.

This request was made because of the growing tendency of manufacturers to come directly to the Government stock pile, putting additional pressure on emergency stocks while usual trade channels still have mercury available.

In the event of supplies being unobtainable from these sources, manufacturers should communicate with: War Production Board, Miscellaneous Minerals Branch, Temporary “B” Building, Washington, D. C., who will give consideration to applications.

** Sickler to head priorities section of Power Branch **

J. A. Krug, chief of the Power Branch of the War Production Board, announced on February 5 the appointment of Barclay J. Sickler of Portland, Ore., as chief of the priorities section of the Power Branch.

Mr. Sickler is on loan from the Bonneville Power Administration where he has been since 1939 as chief of the rate and statistics section. During the past several months Mr. Sickler has acted as a consultant for the OPM Power Branch. He will now devote full time to the WPB.

Minor adjustments in iron and steel scrap schedule announced

Several minor adjustments in Price Schedule No. 4 (Iron and Steel Scrap) were announced February 3 by OPA Administrator Henderson. The adjustments are effective as of February 2, 1942.

Of particular interest to the industry are the following changes:

Shipping-point prices modified

1. Borings for chemical use in the manufacture of explosives are priced at $5 per gross for cast iron borings. For chemical use other than in the manufacture of explosives, the maximum of $5 per gross ton over the price of cast iron borings.

2. The maximum shipping point prices in New England are to be computed in the future from the prices at the most favorable unloading point. The maximum transportation charges which the consumer may pay for scrap shipped from any New England shipping point is $6.27 per gross ton.

3. Where vessel movement is involved in computation of shipping point prices and delivered prices, established dock charges may no longer be used in the computation. In lieu thereof, 50 cents per gross ton at Memphis, Tenn., $1 per gross ton at the Great Lakes ports, $1.25 per gross ton at New England ports and 75 cents per gross ton at all other ports, are to be used in the computation.

4. A special provision has been inserted for consumer purchases of unprepared scrap originating at those points in remote areas at which adequate facilities are not available.

Truck charges adjusted

5. The allowance for transportation charges for truck delivery has been modified. Only public carriers may use the established truck rates. Where delivery is in a vehicle owned and controlled by the scrap seller, the maximum transportation charges to be added are based on the highest over rate for truck shipments. Less carload rates may not be used. Such transportation charges need not, however, fall below $1.25 per gross ton.

6. Railroads, who do not within 2 weeks of February 2, 1942, file the average price information required under appendix B, will compute their prices under appendix A and C. Railroad scrap shipped from a dealer’s yard will be deemed to have lost its railroad origin and will also be priced on the basis of Appendix A or C. Special provisions are, however, made in both cases, for long and short scrap rails and rails for recasting.

7. Definitions of a few grades of scrap have been clarified and tightened. Shipments involving mixture of grades referred to in the schedule are to be deemed shipments of unprepared scrap and priced accordingly, unless the consumer has authorized shipment of mixed grades in his purchase order.

** E. Stanley Glines named chief of aluminum, magnesium unit **

Appointment of E. Stanley Glines as chief of the aluminum and magnesium unit of OPA was announced February 3 by J. K. Galbraith, assistant administrator.
Use of zinc and brass die castings for artillery fuses discussed at meeting

Possibility of using zinc and brass die castings instead of aluminum in the manufacture of artillery fuses was further discussed January 30 at a meeting of the technical subcommittee of the defense industry advisory committee for the die casting industry.

Aluminum vital for aircraft

D. L. Colwell, chairman of the subcommittee, presided, and representatives of the Bureau of Ordnance of the Navy, the Ordnance Department of the Army, the Bureau of Industrial Conservation and industry attended.

Aluminum castings are vital in the aircraft industry, and the use of less critical metals in making artillery fuses will result in a substantial aluminum saving. Brass, steel, and zinc castings already are being used in some fuses, but it is likely that more extensive substitutions can be accomplished.

Extensive tests necessary

The change from aluminum to either brass or zinc affects ballistic properties, and in an accurate mechanism such as a fuse, failure to function properly might result in serious consequences. Therefore, it is necessary to make up samples of brass and zinc castings and subject them to extensive tests prior to actual use.

Agreements curb prices of basic refractory brick

All manufacturers of basic refractory brick, which is used to line steel and other metallurgical furnaces, have signed agreements with the Office of Price Administration to maintain present prices on all grades of such brick for 3 months, OPA Administrator Henderson announced February 2. Prices to be maintained are those in effect since October 25, 1941.

The signatory companies are: E. J. Lavino, Philadelphia; General Refractories Co., Philadelphia; and Harbison-Walker Refractories Co., Pittsburgh.

Signing of the agreement followed a conference of OPA and the manufacturers of magnesite and chromite refractory brick. The agreement will stabilize prices while OPA makes a study of the industry to determine fair maximum prices.

Manufacturers of nonferrous castings asked to stabilize prices pending study

Letters have been sent to operators of foundries making nonferrous castings asking them not to charge prices higher than those prevailing October 1-15, 1941, OPA Administrator Henderson announced February 3.

This action is expected to stabilize prices charged on a wide range of castings by some 3,000 enterprises in the industry, doing an annual business approximating $500,000,000.

To check rising trend

Nonferrous castings are widely used in the production of planes, tanks, ships, and guns and of many important civilian articles. Prices have risen about 20 percent on the average during 1941. The upward trend has been accelerated in recent months and prices are now somewhat higher than those prevailing from October 1-15, 1941. It was said these price increases have occurred even though, for many months, the prices of the principal raw materials going into nonferrous castings have been stabilized by OPA action. As our greatly expanded armament program gets under way, this trend will be accentuated, if it is not checked.

Foundries are requested to sell those castings which are substantially the same as those sold between October 1 and 15, 1941, at not more than the prices which prevailed during that period. In the case of castings substantially different from those sold or offered for sale during October 1 and 15, the foundries are requested not to exceed the prices which they would have charged for the castings under the pricing formula they used on October 15, 1941, taking the same cost factors and profit margins then in effect and ignoring any cost increases that may have occurred.

Stabilized pending further study

Mr. Henderson explained that prices are being stabilized at the October 1-15, 1941, levels pending further study of the industry. To facilitate this study, foundries are requested to fill out and return before February 15, 1942, a questionnaire covering sales, costs, and profits data. In addition, a series of regional meetings beginning during the second week of February were to be held by OPA officials at all important foundry centers. Every foundry will be invited to send a representative to one of these meetings.

The letters do not apply to deliveries completed before March 1, 1942, under contracts entered prior to February 1, 1942. Each foundry is requested to file an affirmation of compliance on or before March 15, 1942, and renewed affirmations on or before June 15, September 15 and December 15. Applications may be made to OPA for relief if compliance would appear to work undue hardship on any company. Complete cost and profit data must be filed with such applications.

CEILING PRICES ON “RELAYING RAIL” ADJUSTED

Several modifications of Price Schedule 46, covering relaying rails, are announced in Amendment No. 1, issued February 3 by OPA Administrator Henderson.

The first change extends the time for filing reports of purchases and sales from 10 to 15 days after the transaction.

The term “relaying rail” used in the schedule has been defined specifically in the amendment, which was effective February 7, 1942.

Ceilings revised

Denver, Colo., has been added to the list of basing points included in the schedule. The ceiling price on relaying rail purchased on the basing point basis has been revised so that it need not be less than $24 per gross ton in any case.

The warehouse ceiling price on carload lots of relaying rail has been lowered from $32 per net ton to $32 per gross ton. Provision has been made, however, for allowance of a charge for reconditioning extras demanded by the consumer at a scale established in the schedule.

Agent’s commission

The amendment also allows a purchaser’s agent a commission up to $1 per gross ton. This allowance, however, is permitted only when the agent is employed by the purchaser and when the agent has no beneficial interest in the seller as an employee, or otherwise.

Ceiling prices on relaying rail have been limited in application to sales or deliveries of such rails within the continental limits of the United States.
Ceilings on domestic washing machines, ironers, set at manufacturers’ level

Domestic washing machines and ironers, output of which has been materially curtailed by Government order, are brought under a price ceiling at the manufacturers’ level in Price Schedule No. 86, announced February 2 by OPA Administrator Henderson.

This is the fifth important maximum price schedule issued by OPA in the consumers’ durable goods field. Like the others, it is necessitated by reductions in output at Government order to conserve raw materials needed for military purposes. The other lines of consumers’ durable goods recently placed under OPA ceilings are domestic cooking and heating stoves, wool floor coverings, radios and automobiles.

At the manufacturers’ level

While the current OPA order covers washing machines and ironers at the manufacturers’ level, Mr. Henderson indicated that his office is prepared to move promptly to prevent any further advances by distributors and dealers.

Manufacturers’ prices for domestic laundry equipment, which includes washing machines and ironers, advanced approximately 12 percent on a weighted average basis between January 1 and September 15, 1942. OPA requested in a letter on September 16 last that it be consulted prior to institution of any price increases. This served to check the upward trend of prices. Subsequently, OPA made the same request to manufacturers of wringers, tubs and motors, the three major component parts of washing machines. This helped to stabilize manufacturing costs.

Increases on certain models

The February 2 schedule prohibits manufacturers from selling domestic washing machines and ironers at prices above the highest prices in effect between October 1 and October 15, 1941. The schedule became effective February 2. However, in the case of Apex Electrical Manufacturing Co., the maximum prices are those in effect on February 2, 1942. These reflect price increases allowed by OPA on certain models of washing machines and ironing machines after request by Apex, pursuant to OPA’s letter of September 16.

The schedule was discussed at a meeting with members of an industry panel and representatives of a number of other manufacturers January 21.

An important feature of the new schedule, the Administrator stated, is the restriction placed on changes in specifications. This is designed to protect the public against indirect price increases through deterioration of quality or performance of the product.

He pointed out that the schedule restricts the introduction of any new models, which were not offered for sale during the period January 1, 1941—February 8, 1942, or in process of manufacture between October 16, 1941 and February 8, 1942.

Must report discontinued models

Discontinued models must be reported to OPA monthly. Production practices will be watched closely, the Administrator said, since manufacturers might develop a tendency to concentrate on the higher-priced models, which are more profitable to make.

Any model introduced between October 16, 1941 and February 8, 1942, may be sold at the highest price received during that period, pending OPA approval. The manufacturer must report both the highest price received and the specifications of the model to OPA by February 25, 1942.

Washer and ironer producer suspended for priority breach

Complete suspension of production and sale of electric washing and ironing machines by the Hurley Machine Division of Electric Household Utilities Corporation, Chicago, Ill., was ordered February 6 by the Director of Industry Operations as a penalty for action characterized as violation of priority orders by the company.

Suspension Order S-11 issued February 6 against the Hurley Machine Division of Electric Household Utilities Corporation prohibits the company until August 1, 1942, from processing, assembling, or producing electric washing machines, electric ironing machines, or parts for either unless specifically authorized by the Director of Industry Operations. The company is also forbidden to accept deliveries of parts for electric washing or ironing machines, and unless specifically authorized, may not transfer or deliver electric washing or ironing machines or parts for them while the suspension order remains in effect.

Wastepaper sales anywhere in U. S. made subject to maximum price schedule

Maximum prices for wastepaper became effective immediately for sales made in any part of the continental United States, in Amendment No. 5 to Price Schedule No. 30 for wastepaper, announced February 5 by OPA.

Maximum prices are extended to cover sales by a producer in the area west of the Rocky Mountains to a consumer in the same area.

Previously, maximum prices applied only to sales from the area west of the Rockies to territories east of the Rockies and vice versa—as well as to exports and imports and to sales in the United States east of the Rockies.

The amendment also redlines what formerly was No. 1 baled news as No. 1 news. It establishes the price of old corrugated containers at $20 per short ton and the price of new corrugated cuttings at $21.50. Definitions of mixed paper, No. 1 news and old corrugated containers are modified and the stipulation is made that unless wastepaper of these grades complies with all requirements of these definitions it may not be sold for a price in excess of $2 less than the maximum established for these grades by the schedule.

Some of the other changes affect “mixed books,” loading and transportation practices, paper for maritime export shipment, and the position of jobbers.

Byproduct coke ceiling revised on regional lines

Revision of Price Schedule No. 29 on byproduct foundry coke and byproduct blast furnace coke was announced February 4 by OPA. Principal feature of the Amendment No. 1 is to recognize existing regional prices for foundry coke and permit all producers to compete freely at these prices, which are, in general, the same as those in effect October 1 last.

Another point covered in the revision is that of the so-called New England area delivered price. The amendment also limits the area governed by Swedeland, Pa., ceiling price to that area governed by Swedeland prior to September 15, 1941.
Autos made available at once for vital civilian needs

Two civilian classifications directly connected with the war effort, or engaged in the protection of public welfare and safety whose needs are too pressing to await general rationing can obtain immediate delivery of new passenger cars under an interim ruling announced February 6 by Price Administrator Henderson, who has charge of rationing passenger cars and tires.

If operations seriously handicapped

Upon the basis of satisfactory assurance that delay in delivery of a new car until February 26 would seriously handicap their operation or duty, the Office of Price Administration will authorize the transfer of a new passenger automobile to holders of A-1-1 (or higher) preference ratings of the War Production Board or prime contractors for the Army and Navy engaged in construction of defense projects; and to public health and safety officials who require a new car to replace one that has been wrecked or otherwise rendered unusable. Statements of need are to be submitted directly to OPA in Washington and not to local rationing boards.

General rationing of new passenger cars to eligible purchasers is scheduled to begin on February 26 through local rationing boards. The rationing regulations now being prepared will qualify as eligible the A-1-1 holders; prime Army and Navy contractors; and public officials whose immediate needs are being taken care of by the February 6 ruling.

**JOHN M. BROWER HEADS FURNITURE BRANCH**

Robert R. Guthrie, assistant chief of the bureau of industry branches, WPB, announced February 6 the appointment of John M. Brower as chief of the furniture branch of the War Production Board.

**Bruce H. McCurdy named chief of telephone section**

Appointment of Bruce H. McCurdy, veteran international communications engineer, as chief of the telephone section of the communications branch, was announced February 6 by Leighton H. Peebles, branch chief.

Maximum prices announced for autos sold to eligible and exempt purchasers

Maximum wholesale and retail prices at which all new passenger cars can be sold to eligible purchasers and exempt classifications under the forthcoming automobile rationing plan were announced February 2 by OPA.

The schedule, which went into effect February 2, establishes retail ceiling prices by giving the factory list prices for all makes and models and spelling out the various charges that dealers may add. Wholesale prices, according to the schedule, cannot exceed the highest prices that prevailed for the same make and model during the period October 1–October 15, last.

A unique feature of the schedule, aimed at compensating dealers for the expense of holding cars in their establishments until sold, is a provision allowing the addition each month to the maximum price of 1 percent of the list price, or $15, whichever is lower.

<table>
<thead>
<tr>
<th>Make and model</th>
<th>Manufacturers' factory list price 1942 model</th>
</tr>
</thead>
</table>

In order to determine the maximum retail price, exclusive of State and local taxes, a dealer takes the manufacturer's list price for the same make and model, and adds: (a) Federal excise tax; (b) an allowance for transportation which cannot exceed the actual rail freight charge from the factory at "carload" rate; (c) 5 percent of the total of the list price plus the transportation allowance, or $75, whichever is lower; and (d) an amount equal to 1 percent of the list price, or $15, whichever is lower, for each calendar month or greater part thereof that has elapsed between January 31, 1942, and the date of sale. If any of the standard equipment has been removed, the maximum price must be lowered by the retail value thereof.

The 5 percent, or $75, charge listed under (c) is the maximum that may be charged for handling and delivery and all of the other services customarily performed by dealers in connection with preparing a new automobile for "drive-away" by the customer.
New ceilings imposed on second-hand bags made of burlap, cotton, other textiles

Maximum prices for second-hand cloth bags are revised to conform to the provisions of the Emergency Price Control Act of 1942 in an amendment issued February to Price Schedule No. 55 by OPA Administrator Henderson.

The amendment provides that beginning on February 16, 1942, second-hand bags may not be sold at prices above the highest prices received by a seller during the period October 1–October 15, 1941. The emergency ceiling, imposed on December 16 as result of profiteering that followed the outbreak of war, based maximum prices on the period November 15–December 6.

Effective February 16

Since the October 1–October 15 prices were generally lower than those of November 15–December 6, OPA is delaying the effective date of the new ceiling until February 16 so that dealers and other sellers may dispose of any bags purchased at prices higher than those set in the new ceiling. However, the schedule provides that deliveries under contracts executed between February 3 and February 15, inclusive, must be completed by March 30, 1942. All new contracts made on and after February 16, of course, must comply with the new maximum prices.

Price methods liberalized

“Second-hand bags” are redefined by the amendment so as to make it clear that bags made of jute, sisal, gunny cloth, or other textile material are covered, in addition to bags made of burlap or cotton.

As revised, the schedule also liberalizes the method of determining prices if a seller made no sales of a particular type of bag during the base pricing period. In this event, it is now stated, a seller may charge a price in line with that received during the base period for related or similar types of bags. Originally, a seller was required to use as a maximum price the “last sale” price of the same type of bag, even though no sales had been made for a considerable time previous. Only actual sales, contracts of sale, or deliveries can be used to determine maximum prices.

Sales report required

All persons who sold more than 1,000 second-hand bags during any month of 1941 are required to file with OPA on or before March 10, 1942, a list of all sales, contracts to sell, and deliveries made during the October 1–October 15, 1941, period, giving the date of sale, name and address of the purchaser, quantity of each type, size, weight, and grade of second-hand bags sold, together with the price received for each.

The amended schedule contains provisions for special applications by persons who made no sales or deliveries of any kind during the base period. OPA will advise them as to specific maximum prices for which they can sell. In addition, persons whose only transactions during the base period were deliveries made under contracts entered into before October 1, 1941, at prices below the market prices prevailing during the base period may make application for special consideration from the Office of Price Administration.

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Specific ceilings set on kapok; affect both buyers, sellers

Specific maximum prices for kapok, a Far Eastern vegetable fiber used in life-jackets, sleeping bags, and other articles of military and civilian importance, are established in an amendment to Price Schedule No. 59 issued February 3 by OPA Administrator Henderson.

Ceiling prices per pound for carload lots, ex dock port of discharge, are as follows:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Atlantic or Gulf Coast</th>
<th>Pacific Coast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estate Kapok</td>
<td>2054</td>
<td>1876</td>
</tr>
<tr>
<td>Prime Japan</td>
<td>1876</td>
<td>1684</td>
</tr>
<tr>
<td>Average Japan</td>
<td>1584</td>
<td>1353</td>
</tr>
<tr>
<td>All other Kapok</td>
<td>1353</td>
<td>1175</td>
</tr>
</tbody>
</table>

Premiums ranging from 1/4 cent to 1 3/4 cents per pound are allowed for less-than-carload lot sales so that dealers can continue their distributive operations. Sales of less than one bale and sales of blown or processed kapok are exempt from the schedule.

Sellers are permitted to add to the ceiling prices: (a) actual transportation charges as provided in the schedule; and (b) charges for war risk insurance in excess of 2 1/2 percent actually paid with respect to the kapok sold.

The amended schedule applies to both buyers and sellers, whereas the original schedule covered only sellers of kapok.

Wool schedule brought in line with new law

An amendment made necessary by the provisions for agricultural commodities in the Emergency Price Control Act of 1942 was issued February 3 to Price Schedule No. 58, Wool and Wool Tops and Wool Yarns, by OPA Administrator Henderson.

By the amendment, which became effective February 2, the period that must be used to compute ceiling prices (except where specific maximums are given) is changed from October 1–December 6 to October 1–December 15.

Maximum prices for wool tops futures and grease wool futures, traded on the Wool Associates of the New York Cotton Exchange, are raised by the new amendment.

Domestic shorn wool, according to the amendment, can carry a maximum price based on the market price either on October 1 or December 15, 1941. If either of those dates there was no market price for a particular type or grade of domestic shorn wool, a seller's ceiling is the highest price received or contracted for by him during the October 1–December 15 period.

The February 3 amendment specifically exempts from the provisions of Price Schedule No. 58 those wool yarns that are dyed and converted for the "hand-knitting" trade.

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Red cedar shingle prices to be discussed at Seattle meeting

Producers of red cedar shingles have been invited to meet representatives of the Office of Price Administration in Seattle, Wash., February 14, to advise the Office of Price Administration on prices and costs.

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TYPEWRITER COMMITTEE

The formation of a typewriter manufacturing industry advisory committee was announced February 5 by the Bureau of Industry Advisory Committees of the War Production Board.

Members of the committee are:

Hosiery industry asked to change packing methods to save boxboard, paper

In order to save an estimated 7,000,000 pounds of boxboard and paper annually, the War Production Board February 4 asked the hosiery industry to pack its products as follows:

1. In the high and medium priced groups, in general to double the pairs of hosiery in a cardboard box and to eliminate individual wrapper or envelope for each pair of hose.
2. In the low-priced field, to eliminate boxes entirely, packing such hose in bundles of a dozen.

Exceptions

There are several exceptions. For instance, the packing of nylon hosiery is not affected. No change is suggested because of the limited supply of nylon for hosiery.

The recommended elimination of individual wrappings does not apply to hosiery that is distributed through direct mail selling.

An exception is also made in the case of hosiery in the medium and high priced field in sizes under $11$ and over $10$½. Their number in a box will not be increased, because the demand for them is too small to justify a merchant to carry the larger stocks that the increased number of pairs in a box would require.

Voluntary cooperation asked

The voluntary cooperation of the industry with the program was asked in a letter sent to hosiery manufacturers by R. R. Guthrie, chief of the textile, fiber and leather goods branch.

The Bureau of Industrial Conservation, in collaboration with the technical and statistical subcommittee of the hosiery Industry advisory committee, also requested industry's cooperation.

### Williams, Rothschild to head men's clothing unit

Appointment of Bascom Williams, of Detroit, and Ted Rothschild, of Rochester, N. Y., as chief and assistant chief, respectively, of a newly established men's clothing unit in the textile section of the Office of Price Administration was announced February 2 by J. K. Galbraith, assistant administrator.

The men's clothing unit will be under the general supervision of Jay Jefferson Miller, acting associate price executive in charge of apparel and finished textile products.

### WPB to determine use of new wool; ingenuity of manufacturers invoked

The War Production Board will determine how much new wool is to be used in the cloth for men's, women's, and children's garments. R. R. Guthrie, chief of the textile, clothing, and equipment branch of the WPB, February 5 informed the woolen and worsted industry at a meeting of its industry advisory committee.

Such action will be necessary, Mr. Guthrie explained, to make certain that enough yardage of warm material will be available to clothe the civilian population.

Experiments suggested

He advised the manufacturers to experiment with the blending of materials in order to use less new wool and more substitute materials, such as used and reworked wool and rayon and cotton, and thus obtain the maximum number of yards of cloth out of a minimum of new wool. At the same time, he cautioned that the cloth must be warm.

In 1943 the Army requirements will exceed the entire domestic clip. Therefore, any wool that we will import from now on will have to be carefully guarded and channelled to be used only for military and essential civilian purposes. We are working on determining in what civilian end products wool serves the most useful purpose of keeping people warm.

As soon as we can, with your assistance, determine how much new wool should go into men's suits, men's and women's coats, and children's wear in comparison with women's dresses, sweaters, upholstery fabrics, neckties, etc., we will give you definite directions to follow.

Your ingenuity should be put to work immediately and extensively to manipulate new wool in blending it with reworked and reused wool, and with spun rayon as well as in combining it with cotton yarn. We can assure you that we will take immediate steps to provide you with needed cotton yarns and rayon staple fiber, so that you could make up your samples that would answer the essential needs of the consumers.

### Wool combinations studied

We are studying the problems of utilizing wool in the best possible combinations with other fibers. It is likely that it may become necessary to make it mandatory to produce no fabrics containing new wool unless they also contain no less than 25 percent rayon fiber or cotton. On the other hand, if wool is diluted too much by admixture of rayon and cotton, it loses its warmth-giving qualities and may require a regulation by which no new wool could be substituted to the extent of less than 25 percent of the fabric weight. These examples do not cover all mixtures of new wool with reworked and reused wool.

We also believe that because woolen clothes would be called upon to keep people warm under more strenuous circumstances the fabrics should not be made too light. Moreover, their serviceability and ability to maintain the shape should be preserved in order to maintain the morale of the people.

We believe that the British utility cloth idea was the step in the right direction. We must do our best to utilize the utmost also our labor so I am sure you will be called upon to give some of your workers for the production of direct war materials.

### Save imported skins for military and vital civilian needs, Guthrie asks industry

The goatskin, kidskin, and cabretta industry was asked February 2 by R. R. Guthrie, chief of the textile, clothing, and leather goods branch of the War Production Board, to conserve skins in order to meet military and essential civilian requirements.

This country's entire supply of goatskins, kidskins, and cabrettas is imported. Approximately half of our goatskin and kidskin comes from India. The remainder comes from the Red Sea-Near East, East Africa, South Africa, and South America. Cabretta, which is the skin from hair (as distinguished from wool) sheep, comes from the same countries, mostly from South Africa and South America. As shipping becomes more difficult, the continued importation of these skins becomes increasingly uncertain.

Goatskin, kidskin, and cabretta are used as uppers for shoes, especially women's shoes, as well as for gloves, garments, and leather goods. Army and Navy demands for the skins are considerable and are expected to cut into civilian supplies.

Mr. Guthrie's remarks to industry representatives follow in part:

The opening of hostilities had double-barreled repercussions for the leather industry. At one stroke it increased the requirements for military use and multiplied the hazards of transportation. Without considering sheep skins, in terms of square feet about 60 percent of our hide and skin requirements must be imported, according to prevailing estimates. If future shipping interruptions cut this by a third—and we must be prepared for such eventualities—we will be without 17 percent of our required supply. Moreover, by 1945, with an army of 5,000,000 men, military and essential industrial needs will have drained away another 20 percent from the total, leaving only 63 percent for civilian needs, which in normal times would use the entire quantity.

You can therefore see how very important it is to plan ahead.
Export margins set on iron and steel products; middlemen pyramided prices

Export provisions of Iron and Steel Products Price Schedule No. 49 have been revised to permit export agents and export merchants to charge on sales abroad certain margins over the domestic ceiling figures established by the schedule, OPA Administrator Henderson announced February 2.

Although the margins and discounts allowed by mills normally are adequate to carry the cost of export business, exporters have disclosed to OPA that several mills in recent months have been withdrawing the discounts they normally granted exporters. Prior to the issuance of Price Schedule No. 49, exporters had not protested the withdrawal of their discounts by certain mills, apparently because they could add to their selling prices, as it has been possible to export steel at almost any price. South American demand for steel has been greatly in excess of the supply available here for export, and the desire of many South American concerns for necessary steel forced them to meet the exorbitant price.

Many “paper transfers”

The high price outlet for steel provided by the export market attracted many domestic sellers, from whom exporters have been buying steel. OPA investigations have revealed that there were often three and four and more middlemen involved in purely “paper transfers” of the steel between the mill and the exporter. This pyramiding resulted in exorbitantly high prices, as each trader passed along his mark-up.

The ceiling covers exports of iron and steel products to any place outside the territorial limits of the United States. This maximum shall be the domestic price, freight alongside ship at the port from which shipment is being made, plus an amount not more than 5 percent in excess of the price at which the material is invoiced by the domestic seller, in the case of an export agent. The latter is defined as an exporter who acts as an agent in a sale to a foreign purchaser without taking title to goods being exported or assuming risk of loss because of demurrage, failure to secure freight or otherwise.

Export merchants get 10 percent

Export merchants are to be allowed a 10 percent maximum mark-up above the price at which the material is invoiced by the domestic seller. The term “export merchant” is defined by OPA as any exporter who resells directly to a foreign customer and who buys for his own account and assumes all risk of loss because of demurrage, failure to secure shipping space, damage to merchandise, or otherwise.

“It should be emphasized,” Mr. Henderson said, “that the margin is allowed only to the person actually exporting, and to no other.”

The Administrator pointed out that although margins allowed were above domestic ceiling prices, exporters who are receiving discounts from mills and others may continue to receive them.

Iron and steel products ceiling brought up to date

Formal revision of Iron and Steel Products Price Schedule No. 6 covering sales of iron and steel products, was announced February 5 by OPA. Reissuance and revision of the schedule, which was one of the earliest OPA orders, brings it in line with forms set up in later price schedules. The revised schedule was effective February 4, 1942.

Present revisions are expected to smooth out some clauses of the price schedule which have caused interpretative difficulty. Principally, the definition of disseloated tonnage has been clarified. OPA emphasized that only tonnage which is genuinely “dislocated” as a result of the war effort may be so priced. Clarification of the extra provisions of the price schedule also has been made.

OPA action taken to meet shortage of electrolytic copper

Acting swiftly to help meet the critical shortage of electrolytic copper for defense purposes, OPA Administrator Henderson, February 7 issued a sweeping amendment to Price Schedule No. 20, which adds maximum prices for 24 grades of copper alloy scrap.

The expanded schedule of prices, effective February 27, is issued at the request of the copper branch of the War Production Board. This amendment No. 4 should assist electrolytic copper refineries to increase their purchases of brass scrap for conversion into vitally needed electrolytic copper, the Administrator stated.

One important change in the newly amended schedule makes maximum prices apply only to sales of copper and copper alloy scrap to consumers. The old schedule No. 20, which remains effective until replaced February 27 by the new order, applied to all sales of copper scrap, whether to dealers or to consumers.

Builders’ hardware price “freeze” period changed

Amendment No. 2 to Price Schedule No. 40 for builders’ hardware and insect screen cloth, changing the “freeze” period from the 30-day period preceding October 20 to the 15 days preceding October 15, was issued February 4 by the Office of Price Administration, Leon Henderson, Administrator, announced. This amendment is designed to make the schedule conform more closely to the provisions of the Emergency Price Control Act. The amendment is effective as of February 3, 1942.

The amendment also clarifies the schedule by providing that persons subject to the schedule who may make some retail sales, need not keep a record of such sales.

Within the near future the existing schedule, which is in the form of a “freezing order,” will be replaced by a schedule setting prices in terms of dollars and cents. This schedule will be based upon a standardized and simplified list of builders’ hardware items prepared by the War Production Board in conjunction with the Bureau of Standards and members of the hardware industry.

Definitions for lead, zinc clarified in minor amendments

Minor changes in the price schedules for primary and secondary lead and primary and secondary zinc were announced February 8 in amendments issued by OPA Administrator Henderson. All four amendments became effective February 2, 1942.
Railroad specialties ceilings fixed at October 1 levels

Price ceilings for so-called railroad specialties, i.e., side frames, bolsters, couplers, and yokes, are fixed at levels prevailing October 1, 1941, by Amendment No. 1 to Steel Castings Price Schedule No. 41, OPA announced February 4. The new prices are listed in the amendment, which was effective as of February 3, 1942.

A change was also announced in steel castings. This is applicable in the case of a producer who receives an order for a particular item which he was not making on or prior to July 15, and therefore, one for which he had not filed a price. In such case, where on and after February 5, 1942, a producer makes a steel casting for which he has not previously filed a price with OPA, then such casting must be sold at a price not higher than that listed in the Steel Founders Society's Comprehensive Report for the corresponding casting. As an alternative, or in a case where the particular casting is not listed in the Comprehensive Report, the producer must obtain approval of the proposed selling price from OPA. If OPA does not act upon any such request for approval of a price within six days, the requested price is deemed to be approved automatically, it was stated here.

** Two types of rayon waste put under price ceiling **

Two important classifications of rayon waste, used mainly as a supplemental fiber in the spinning of wool yarns, are brought under a price ceiling in Schedule No. 90 issued February 4 by OPA.

Effective February 3, 1942, the schedule sets ceiling prices ranging from 10 cents to 24 cents a pound, net weight basis, f.o.b. shipping point, for 28 grades of producers' waste when sold by manufacturers of continuous filament yarns or staple fibers. These prices may be increased by 5 percent when sales are made by others than producers, such as dealers and commissionaires.

Rayon "tops" are given maximum prices ranging from 40 cents to 44 cents per pound, net weight basis, f.o.b. shipping point. "Nails" are assigned ceiling prices of from 20½ cents to 22 cents a pound. The "tops" and "nails" prices, according to the schedule, include all commissions and other charges.

DYESTUFF INDUSTRY COMMITTEE

The formation of a dyestuff manufacturers' industry advisory committee was announced February 3 by the Bureau of Industry Advisory Committees of the War Production Board.

Dr. Arnold L. Lippert of the textiles, clothing and leather goods branch of the WPB has been designated Government presiding officer.

Committee members are:


** Ceilings imposed on titanium pigments to avert price rise **

To avert threatened increases in prices for titanium pigments—used extensively in paints, printing inks, and other materials—Schedule No. 98 for these products was announced February 6 by OPA Administrator Henderson. The schedule is effective as of March 1, 1942.

Prices established in the schedule are those prevailing October 1, 1941.

** Rag schedule amended **

A provision for transportation allowances to rag sellers, requirements for monthly reports, inclusion of additional grades and an amended definition of "broker" are included in Amendment No. 2 to Price Schedule No. 47 for old rags, announced February 3 by OPA.

Three new grades of rags are added to Section 1347.110; No. 1 laundry bags, maximum price $135; No. 2 laundry bags, maximum price $100; and old manila rope, maximum price $115.

A further provision establishes maximum prices for other grades of roofing rags not covered in the schedule. For such rags, used in the manufacture of roofing material and sold between October 1 and October 15, 1941, the maximum price shall be the highest price per ton charged by the seller during that period, but in no event may this price exceed $31. For any grade of such rags not sold during that period, prices in excess of $10 per short ton are to be subject to the approval of OPA. This provision applies to graded rags and does not affect sales of mixed rags.

Fats, oils amendment permits some price rises

Revisions in Fats and Oils Price Schedule No. 53 are contained in Amendment No. 2, issued February 4 by OPA Administrator Henderson. The amendment became effective that day.

Allowances for new cash lard

Taking cognizance of the fact that the original order covered old lard made prior to October 1 last, OPA is allowing the addition of 1.895 cents per pound to the October 1 price for new cash lard as a ceiling maximum. This brings the permissible ceiling figure for cash lard in tiers up to 12.995 cents per pound.

The new amendment also permits the addition of 0.675-cent to loose lard ceiling prices, making that maximum now 11.425 cents. On leaf lard, an addition of 0.49-cent is permitted, with the new ceiling 11.615 cents. An addition of 0.70-cent to the October 1, 1941 level is allowed for steam rendered pork fat, bringing the new ceiling to 11.325 cents.

A provision has been inserted in the new amendment, stating that the maximum price ceiling for lard futures contracts after September 1942 shall not exceed the September 1942 futures top set by OPA.

Determining methods amplified

Amplifying on the original schedule and amendments on methods of arriving at maximum prices for other fats and oils, OPA added a new proviso:

If the methods of determination already permitted fail, the maximum price shall be that in the nearest market in which a sale of the fat or oil was made, with adjustments for customary differentials between the price in that market and the price in the locality of the seller's shipping point.

As before, if the maximum price determined is less than 111 percent of the price at which the same kind of fat and oil was sold by the seller on November 26, 1941, then the maximum shall be 111 percent of such November 26 price.

Schedule exemptions

Sales of fats and oils products in the finished form, sales of refined fats and oils through wholesale and retail channels and sales of lard destined for human consumption without further processing are exempt from the operation of this schedule. Coconut oil, however, is excepted from this exemption.
TRANSPORTATION . . .

Railroads allotted steel, copper for first quarter ’42, if not needed for shells

Chairman Donald M. Nelson announced February 1 that the War Production Board has approved a program calling for allotment of 900,530 tons of steel and 2,250 tons of copper to the country’s railroads during the first quarter of 1942 for maintenance of way and structures, provided the requirements can be met without interfering with shell production.

Most of the steel—538,000 tons—is for new rail to take care of added burdens being placed on railroads as the result of the war program. The remainder is of the type used for track fastenings, frogs, switches and guard rails, and bridges and buildings.

By specific allotment

The program, drafted by the transportation and farm equipment branch of the division of industry operations, will be executed by specific allocations of steel to individual railroads.

In addition to stipulating that the program must not interfere with output of shell steel, which can be rolled in mills primarily engaged in rolling rails, WPB held that if called upon to do so, the railroads must release relay (second-hand) rail for defense needs in amount up to one-third the tonnage of their first quarter receipts of new rail.

Steel requirements for first quarter

The transportation and farm equipment branch, after conferences with the railroad industry advisory committee, submitted to the Board the following steel requirements (in net tons) for maintenance of way and structures during the first quarter:

Rail, 538,000; fastenings, 294,000; frogs, switches, guard rails; rail, 21,600; plate, 12,300; bridges and buildings: plate, 13,700, shapes, 20,630; total 900,530.

Out of the first quarter tonnage of rail, each railroad will get approximately one-third of the amount of rail requested by it for maintenance of way during the entire year. Adjustments will be necessary in ensuing quarters to meet each road’s requirements as determined by the requirements survey being undertaken by the Office of Defense Transportation and in the line with the steel production program.

For safety and service needs only

Steel allotted for the first quarter is for essential safety and service needs, and is not intended for general expansion of, or additions to existing equipment.

The former Supply, Priorities and Allocations Board approved on January 1 a program calling for allotment of 1,413,893 tons of steel for repair of passenger and freight cars and locomotives, production of 36,000 freight cars during the period February 1–May 1, and continued production of 926 locomotives of various types now on order.

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Aid for freight cars, locomotives defined

The War Production Board issued interpretations February 3 of three Preference Rating Orders—P-21, P-20 and P-8—in order to define more clearly the extent to which priorities assistance is available under them.

Order P-21 covers materials for the repair and rebuilding of steam, electric or diesel locomotives; P-20 applies to materials going into the construction of locomotives specified in that order; and P-8 governs materials for the construction of railroad, industrial and mine freight cars.

Each order assigns an A-3 preference rating to deliveries of the necessary materials. Each states that the rating may be used to obtain materials entering “directly or indirectly” into the equipment covered.

In order to avoid confusion, the interpretations issued February 3 state that the term “directly or indirectly” does not mean that a producer or supplier can use the rating to get materials for plant expansion, improvement or maintenance. The rating can be used only for materials which will be physically incorporated in the product, or for perishable tools used up in the process of manufacture.

Hearing on crude oil pipe line application set for February 19


The corporation has requested the Director to recommend to the President that a proclamation be issued that construction of a crude oil pipe line from a point in Texas to Savannah, Ga., is, or may be, necessary for national defense purposes. The President’s authority to issue such a proclamation is contained in the Cole Pipe Line Act, approved July 30, 1941 (Public Law 197, 77th Cong., ch. 333, 1st sess.):

Mr. Meyer is a former member of the Interstate Commerce Commission. Mr. Childe is a member of the Board of Investigation and Research, created by the Transportation Act of 1940. Mr. Kelley is an examiner on the staff of the Interstate Commerce Commission.

The hearing will be held February 19, at the Office of the Interstate Commerce Commission in Washington, D. C.

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Barriger named associate director, railway transport

Joseph B. Eastman, Director, February 4 named John W. Barriger of St. Louis, Mo., as associate director, division of railway transport, Office of Defense Transportation.

Mr. Barriger entered railroad service with the Pennsylvania Railroad in 1917 and served with that company in various positions until 1927. He then went with Kuhn Loeb & Co., New York, and later was with Calvin Bullock & Co. from 1929 to 1933.

He was made chief examiner, Railroad Division, Reconstruction Finance Corporation, and occupied that position until July 1941. He has since been consultant for the Western Association of Railway Executives, Carriers Conference Committee and the American Railroad of Puerto Rico. He was reorganization manager, Chicago and Eastern Illinois Railroad, and is now a director and a member of its executive committee.
Housing . . .

$18,900,000 allocated for emergency housing of war workers in Washington area

Declaring the serious housing situation in Washington demands "immediate action," Defense Housing Coordinator Palmer announced the allocation of $18,900,000 for the speedy construction of 4,500 emergency dwelling units for war workers here February 5.

Existing facilities overtaxed

The allocation was made by President Roosevelt from the $300,000,000 emergency appropriation, made available shortly after Pearl Harbor, to meet housing needs where the rapidly expanding war effort is seriously overtaxing existing facilities.

"Fortunately, funds from this appropriation can be used in the Washington area at once, and immediate steps will be taken to acquire the sites and to start construction," said Mr. Palmer. "This will partially relieve the housing situation in the Capital while work on the $50,000,000 Lanham Act Amendment to provide for 10,000 dwelling units and the necessary accompanying public utilities is proceeding in Congress. However, these 4,500 units in no wise minimize the need for the 10,000 homes planned under that Amendment."

Of removable type

The new dwellings, to be built and managed by the Alley Dwelling Authority, of which John Ihlder is executive officer, will be of the movable type which can either remain as permanent structures or moved to other locations after the war, Palmer stated. "Shelter rents in all units will be at rates within reach of workers earning $2,000 or less.

To meet FHA standards

"The new homes will be just as attractive in appearance, as complete in equipment and as durable and long-lived as those of permanent construction," said Mr. Palmer. "Many of them will be prefabricated at points removed from Washington and assembled on the sites here, which will lighten the burden of the over-taxed labor supplies building defense homes here. Some will be single houses, others twin dwellings and some row houses. Between 70 and 80 percent will contain two and three bedrooms, with the balance having one bedroom. They will meet all standards set up by the Federal Housing Administration for its 25-year financing plan."

* * *

Registration offices place

10,992 families in January

Homes for 10,992 families of war workers were secured through Homes Registration Offices during January, according to a preliminary report released February 5 by Charles F. Palmer, Coordinator of Defense Housing. In addition, 7,241 applications for rooms were filed by the 177 local offices reporting.

Sponsored by the Division of Defense Housing Coordination, and financed by local groups with WPA assistance, each office compiles and keeps current a central index of vacant living accommodations in the locality and aids defense workers in renting rooms, apartments, or houses. In many communities surveys are conducted periodically to keep vacancy lists up-to-date, and volunteers inspect accommodations to see that they meet standards set by the Homes Registration Office.

* * *

5 areas added to defense housing critical list

Five additions to the Defense Housing Critical Areas list were announced February 2 by the War Production Board. Builders of family units for defense plant workers in Wahoo, Nebr., and Clewiston, Fla., will now receive benefit of priority assistance in securing the necessary materials.

Huntington, W. Va., had previously been added to the eligible areas.

The widely separated communities of Seward, Alaska, and Dothan, Ala., are the latest towns where the construction of dwelling units for defense industry workers will be expedited by the application of high priority ratings to the required materials.

Detroit housing project available for Negro tenants, as originally planned

Decision to make the Sojourner Truth defense housing project in Detroit, Mich., available for occupancy of Negro defense workers, as originally planned, was announced February 2 by Defense Housing Coordinator Charles F. Palmer and Baird Snyder III, Acting Federal Works Administrator.

This action came in response to representation by Detroit city officials, housing authorities and civilian groups, who expressed firm belief that the best interest of the defense program and the city would be served by permitting Negro families to occupy the new units inasmuch as the site for a Negro housing project originally recommended by the Detroit Housing Committee last June is no longer available.

* * *

More time granted home builders to file applications for aid

The War Production Board on January 31 ordered an extension from February 1 to February 14 of the time in which applications may be filed for assistance under Preference Rating Order P-71, which assigns an A-10 rating to deliveries of materials to complete privately financed dwellings for which foundations were in place on October 9.

* * *

Week's completed homes reported at 2,763

Charles F. Palmer, Coordinator of Defense Housing, announced February 5 that 2,763 new publicly financed homes for families of defense workers and enlisted personnel had been completed during the week ending January 31, making a total of 73,369 now ready for occupancy.

With 1,542 homes going into construction during the week, the total of publicly financed homes now being built or completed reached 131,650.
LABOR . . .

Auto workers agree to stay on job pending Board action on wage dispute; Bethlehem "union security" issue certified

Two controversies of Nation-wide significance along with eight other disputes were added to the War Labor Board's calendar last week as the Board mediators wrote off three settlements by agreement and referred three others to the full Board for further action.

General Motors

First of the big cases marked the first time the Board had taken jurisdiction of a dispute on its own motion. Complete conversion of the auto makers' war production on a 7-day week basis developed a snag when General Motors and the United Automobile Workers, AFL, could not agree on the union's demand for double time for Sunday work. Both groups, however, expressed willingness to submit the controversy to the Board for final determination and to continue working in the meantime in the spirit of the terms of the Executive order, the Board took jurisdiction of the case on its own motion February 6 after meetings with the Secretary of Labor. It set a hearing for Feb. 10.

"Little Steel"

Last week negotiations between the Republic Steel Corporation, the Bethlehem Steel Corporation, and the Steel Workers Organizing Committee, CIO, affecting 140,000 workers in 20 plants, broke down over the unions' demands for $1 a day wage increase and union security and the controversies were certified to the Board. The companies and the union have been negotiating their first contract since September.

Tree Fruits Labor Relations Committee

An agreement reached February 6 between the Tree Fruits Labor Relations Committee, Inc., of Yakima, Wash., and the International Brotherhood of Teamsters, the Operating Engineers, and the Fruit and Vegetable Packers and Warehousemen's Union, all AFL, ended a strike which had been in effect since October 13 and involved 7,600 workers. The full Board had started hearings on the case February 3, but later that day assigned three Board members—Dr. Frank Graham, E. J. McMillan, and Martin Durkin—to attempt to settle it by mediation.

The union agreed to drop its closed shop demand. The 24 companies represented by the Labor Relations Committee agreed to recognize the 3 unions as exclusive bargaining agents for the workers in the 23 larger cities which the United States had refused since early December to handle Yakima apples. The companies agreed to invite the unions to 3 unions with the companies to all 3 unions with the amounts varying from company to company. The companies further agreed that neither it nor any union affiliated with it will organize farmers' employees, nor will it support outside organizations in such an attempt. Farmers were guaranteed the right to deliver their own produce to markets and warehouses without interference.

Morley's, Inc. and the unions have asked the Board to appoint a special examiner to determine whether company is a commercial operator or whether it should be considered a farmer. If the latter, it is not bound to sign the contract.

The Yakima Fruit Growers Association, although a party to the dispute, is not a member of the Tree Fruits Committee. It has agreed to inform the Board within 10 days of its acceptance or rejection of the contracts.

All changes now pending before the National Labor Relations Board by the unions will be withdrawn.

Robert Jacob Shipyard, Inc.

A 2-day hearing cleared up the dispute over union security between the Robert Jacob Shipyard, Inc., City Island, N. Y., employing 330 workers, and the Industrial Union of Marine and Shipbuilding Workers, CIO. A jurisdictional dispute between the CIO union and two AFL unions brought in the case originally on January 27 but that issue was disposed of the same day by the labor members of the Board. Prof. L. E. Sherman of the University of Michigan, mediator of the Board, began hearings February 2 on the CIO union's demand for union security. The settlement called for the insertion in the contract of a clause providing for maintenance of membership and preferential hiring.

Oliver Farm Equipment Co.

With Dr. Paul A. Dodd of the University of California, associate Board member, acting as mediator, an agreement was reached at 1 A.M., February 6, after 7 days of hearings in the dispute between the Oliver Farm Equipment Co., Springfield, Ohio, and the United Automobile Workers, CIO. When the parties arrived in Washington January 30 they were not in agreement on a single clause. Their last minute agreement was the first. The union waived its demand for a union shop and a check-off and obtained a vacation pay clause amounting to 3¾ percent of the employees' previous year's earnings.

The contract also provides for the appointment by the Board of a special examiner to make a study of wage rates existing at the plant. Both the company and the union have agreed to accept whatever rates the Board sets on the basis of such an examination.

Hearings before full Board

The three cases which were referred to the full Board after hearings include the Bower Roller Bearing Co., Detroit, Mich., and the United Automobile Workers, AFL; Babcock & Wilcox Co., Barberton, Ohio, and Federal Labor Union 21886, AFL, and the Spicer Manufacturing Co., Toledo, Ohio, and the United Automobile Workers, CIO; and the Building and Construction Trades Council, AFL. In all three disputes, panels of associate Board members were unable to obtain agreements, although in each case several days of hearings were held.

The full Board was in session every day last week. Among other matters, it held hearings on the Federated Fishing Boats dispute and considered the Aluminum Co. of America case in executive session.

New cases

The 8 additional cases certified to the Board involve the following: Breeze Corporation, Inc., Newark, N. J., and the United Automobile Workers, CIO; Ranger Engineering Corporation, Long Island, N. Y., and the United Automobile Workers, CIO; Rutherford Freight Lines, Inc., Bristol, Tenn., and the International Brotherhood of Teamsters, AFL; American Smelting & Refining Co., Selby and San Francisco, Calif., and the International Union of Mine, Mill and Smelter Workers, CIO; Goodyear Aircraft Corporation, Akron, Ohio, and the United Automobile Workers, CIO; Chase Brass & Copper Co., Cleveland, Ohio, and the International Association of Machinists, AFL; Parker Appliance Co., Cleveland, Ohio, and the International Association of Machinists, the International Molders Union of North America, the Pattern Makers League of North America, all AFL. Also certified to the Board last week was the dispute between the Armstrong Brothers Tool Co., Chicago, Ill., and the United Auto workers. AFL. When this case was certified February 7, the Board immediately barred the parties requesting that they call off a strike which had been in effect since February 5 over the union's demand for a union security clause.

Added to its pending cases were two disputes previously handled by the National Defense Mediation Board—Allis Chalmers Manufacturing Co., Pittsburgh, Pa., and the United Electrical, Radio and Machine Workers, CIO, and the Electrical Construction Trades Council, Chicago, Ill., and the International Brotherhood of Teamsters, AFL.

Rapid progress cited in job training within industry

A keystone of labor's war production effort, job training, is being reinforced rapidly, Sidney Hillman, WPB Labor Director, said February 6 in announcing that 20,389 "lead men" and supervisors in 938 plants with 1,500,000 employees, have been trained to instruct war workers.

Goal of 200,000 supervisors

He stated that the latest report of the training-within-industry branch of the WPB's Labor Division further showed that another 125,000 "lead men" already are scheduled for TWI's streamlined "job instructor training program."

"Under this program," Mr. Hillman said, "foremen are taught, right in the plants, how to break in green men on skilled jobs and experienced men on new jobs quickly and efficiently."

"Our goal is to develop 200,000 such supervisors by July 1 in factories from coast to coast."
Hiring of aliens permissible on many war contracts, says chief of minority groups unit

Aliens may work on any war contract not classified by the Army or Navy as "secret, restricted, or confidential," Dr. Will W. Alexander, chief of the minority groups unit of the Labor Division of the War Production Board, declared February 5 in a statement defining the employment status of noncitizens.

If the contract does not bear one of these three designations, he said, "It is not 'classified' and there is no law or rule which prevents employers from using aliens for that work."

Contracting officer can decide

Even when a contract is "classified" there may be exceptions and procedures under which Army or Navy approval can be secured for the employment of aliens, Dr. Alexander stated. A "classified" primary contract banning use of noncitizens does not always mean their exclusion from work under a subcontractor, he said, adding:

The contracting officer, under the law, has the authority to decide to what extent and in what way the classification provision of the primary contract may be relaxed to permit employment of aliens on a subcontract. The contracting officer might decide particular aliens can be used because they are experienced and well known to the subcontractor.

He pointed out that, in any event, employers may appeal on behalf of their noncitizen workers for permits to use them on specific "classified" contracts. These appeals are made to the Secretary of War or Secretary of the Navy on forms provided by their departments.

Dr. Alexander referred to unnaturalized workers as "a source of manpower important to attainment of our war production goals."

John Beecher appointed to help minority workers

Mark F. Ethridge, chairman of the President's Committee on Fair Employment Practice, announced January 31 the appointment of John Beecher, Birmingham, Ala., as a field representative of the committee.

A former editorial writer, and Government worker, Beecher knows the problems of both Negroes and whites in the South.

Congress informed of labor program for recruitment and training of women to meet urgent need for war workers

A program by the War Production Board's Labor Division to meet a very large expected need of additional war industry workers through recruitment and training of women was given to Congress February 4. Miss Thelma McKelvey, in charge of training and supply of women for war industry in the Labor Division, WPB, outlined the program to the House Committee Investigating National Defense Migration (Tolan Committee).

"Of the ten million war industry workers who must be recruited in 1942 two million will be new workers, most of them women," she said. In addition some of the workers in converted factories will add women to the labor force and other women will be brought in from the unemployed group.

Further excerpts from Miss McKelvey's testimony follow:

Women as a reservoir of labor

If we can succeed in using effectively our potentially great force of women workers, we need have no doubt about meeting any labor requirements for war production. Recent 1940 census figures show that 50,350,000 in our population, 14 years of age and over, 12,850,000, or slightly less than one-quarter, were part of the labor force that year.

There were 1,265,538 women 14 and over who reported themselves as "seeking work," of which 950,904 indicated they were experienced workers. From this number alone can be drawn literally hundreds of thousands for immediate placement in war jobs.

Then there are the 28,551,680 who reported themselves as engaged in their own housework, and another 4,455,971 in school or college. If it becomes necessary to recruit from this group in approximately the same proportion as are now in the labor market, another 8,000,000 could be inducted into a total war effort to meet the service, agricultural, and manufacturing needs of our civilian population and the military forces.

Of 10,000,000 employed in factories, the 1940 census shows 25 out of every 100 were women, showing almost no increase over 1939 in employment of women.

Of 5,000,000 workers in war production during the fourth quarter of 1941, women numbered 480,000, according to the Bureau of Labor Statistics.

The fact that approximately 200,000 men a month are expected to be drafted into military service during the next 12 months supports the conclusion that widespread opportunities for employment of women both in the civilian fields and war production plants must follow. If this withdrawal of manpower into military forces continues during 1943, or is accelerated during 1942, the need for women will be proportionately increased.

Steps toward organization

A program was adopted late in December 1941 as the Labor Division's policy on women workers. To put these women to work quickly and effectively, these steps have been established:

1. An inventory of women now available for war production is now under way through facilities of the United States Employment Service and its 1,500 public employment offices.

2. Voluntary registration is being planned of women willing to accept work or training for work, not only in the actual manufacture of goods for use by the armed forces, but in raising and processing foodstuffs and in the maintenance of essential civilian services necessary to the war effort.

3. War production training programs, conducted by public vocational school, the NYA, and the Training-Within-Industry program of the WPB Labor Division are being geared to include women in the vocational training courses and plant-training programs.

4. Plans have been developed to insure suitable conditions of work, which experience has proven necessary to secure maximum production by women workers.

5. Through the Regional and Industrial Area Labor Supply Committees of the Labor Division the program for training and employing women in war production will be carried out in accordance with local conditions.

Steps are being taken to impress upon employers the advisability of using locally available women workers before recruiting labor from outside areas.

6. In view of the exigencies of a long war, consideration will be given to the possible future need for compulsory registration of all women legally qualified to work in industry or perform other essential war services.

Collins named regional OPA director for Denver office

Appointment of Clem W. Collins of Denver, Colo., as regional director for the Denver regional office of the Office of Price Administration was announced February 6 by Leon Henderson, Administrator.

Other regional directors have been appointed to serve in New York, Chicago, San Francisco, Boston, Cleveland, Atlanta, and Dallas.
CONSERVATION . . .

State salvage committees now organized in 23 States and D. C., Rosenwald reports

Twenty-three States and the District of Columbia now have State salvage committees organized and in action, Lessing J. Rosenwald, chief of the Bureau of Industrial Conservation, announced February 2.

Efforts coordinated

In addition, negotiations are pending in seven other States for the appointment of salvage committee chairmen and executive secretaries, Mr. Rosenwald stated. In States where committees already have been formed, numerous local committees also have been set up as part of the State organizations. Many of the larger cities, such as New York, Baltimore, Washington, Chicago, Boston, and Columbus, Ohio, have salvage committees in full operation, it was noted. The committees, in almost all cases, are part of the State or local defense councils.

Need increases daily

Although numerous public and private organizations have been active in collection and disposal of waste materials, all of these groups are coordinating their efforts through the newly formed salvage committees, Mr. Rosenwald said. It has been predicted that every State will have completed its salvage organization by the end of February.

Public cooperation urged

States which either have completed their salvage committee organization or are well on the way toward completion include: Connecticut, Massachusetts, New Hampshire, New Jersey, New York, Maryland, Florida, Georgia, North and South Carolina, Mississippi, Indiana, Kentucky, Ohio, Illinois, California, West Virginia, Virginia, Missouri, Nebraska, Minnesota, Wisconsin, Michigan. Within a few days, Mr. Rosenwald said, Vermont, Maine, Delaware, Pennsylvania, Tennessee, Alabama, and Nevada are expected to name chairmen and executive secretaries, after which committee organization will get under way immediately.

The Bureau has urged the general public to collect scrap metals, rags, rubber and wastepaper. Collections may then be sold to local waste dealers or given to any one of a number of collecting charities. Where collection machinery is not sufficiently well organized or is not extensive enough to carry the burden of recently increased public participation in the salvage program, citizens have been requested to make a special effort to deliver their waste to the dealers or the charities directly. This method will expedite the prompt movement of the salvaged items into reuse.

Fair price for scrap autos based on OPA schedule

In a joint statement made public February 6, Lessing J. Rosenwald, chief of the Bureau of Industrial Conservation, and Leon Henderson, Administrator of the Office of Price Administration, declared that iron, steel, and other metals now lying dormant in automobile graveyards throughout the country must be rapidly made available for the manufacture of war materials.

Must not exceed scrap ceilings

The iron and steel industry, according to the statement, has been urged to make "fair offers" to all graveyard owners for their material within 90 days. Such offers, it was pointed out, could be made by agents of mills, by scrap material dealers or by their agents.

Many inquiries received

Many requests have been received by the two Government agencies, the statement continued, from dealers, brokers, and mills, for a price to be set on "junk" in graveyards. Price schedule No. 4, under OPA's newly enacted statute, requires these automobiles to be so priced that the resultant prepared scrap will not exceed ceiling prices delivered to the mills, and carries heavy penalties for violations. Mr. Henderson warned that cost data of consumers who purchase and prepare these abandoned cars will be given the closest scrutiny and that violations will be prosecuted.

Publishers urged to give immediate attention to saving critical materials

Publishers of newspapers, magazines, books and other printed publications were urged on February 1 by George Renard, acting chief of the WPB printing and publishing branch, to give immediate attention to the need for conservation of all critical materials used in the printing and publishing field.

Materials widely used in this field include newspaper and other paper, ink, type metal and metallic plates, stapling and binding wire, rubber tires used on delivery trucks, and photographic chemicals. Shortages exist in iron and steel, tin, lead, zinc, rubber, and certain chemicals used directly or indirectly in the publishing field.

Observations on supply

Although it is impossible to predict what the future supply and demand picture will be in any one of these fields with accuracy, Mr. Renard made the following observations about the situation in certain supplies:

1. There is no shortage in black ink used for ordinary printing at present.
2. Color inks, which are made with both chemicals and metals, will probably have to be restricted about 25 percent.

Enough newsprint at present

3. There is at present a sufficient supply of newsprint flowing from Canadian and United States mills; while the future cannot be predicted, the present picture indicates that there should be a sufficient supply of newsprint for ordinary needs.
4. Publishers are reminded that Priorities Regulation No. 1 forbids the building of inventories above a practicable minimum level.
5. Maintenance and repair and operating supplies used in the publishing business are covered under the terms of Preference Rating Order P-100. Before any publisher uses this order to obtain such supplies, however, he must be thoroughly familiar with its terms.
6. New capital equipment may be difficult to obtain if critical metals are involved, but applications for such equipment are made on form PD-1-A.
7. No improvement in the supply of rubber for tires is expected, and all possible conservation of tires is therefore indicated.
AGRICULTURE . . .

American “naval stores” producers asked for 50 percent more turpentine

American naval stores producers are being called upon to increase their 1942 output more than 50 percent over that of 1941 for the benefit of America’s war effort, the United States Department of Agriculture said recently. This increased production will amount to more than twice as much as was produced during the first year of United States participation in World War No. 1.

U. S. world’s largest producer

Since Colonial days, when the first tar and pitch from North Carolina longleaf pine helped keep New England’s wooden ships afloat, the United States has been the world’s largest producer of naval stores. In recent years, the “Turpentine Belt” from the Carolinas to Texas has turned out approximately 60 percent of the total world production of turpentine and rosin.

Increased demand for turpentine, rosin

Turpentine and rosin—the so-called naval stores—are strategic materials in the world-wide war effort today; both on the line of combat and behind it. The United States armed forces will require increasing amounts of turpentine and rosin for various military purposes. In addition to the military demands for naval stores, extensive industrial requirements—in the manufacture of such items as paints, paper, soap, varnish, printing ink, synthetic camphor, adhesives, plastics, pharmaceuticals and chemicals—will continue.

During 1938-39, the United States produced more than six times as much turpentine and rosin as any other single nation. Other principal producers were France, Russia, and Portugal. German production was only 1 percent of world production of naval stores during the period. Germany’s total output, plus that of the rest of North and Central Europe, and Algeria, Italy, Indo-China and Japan, amounted to less than 3 percent of the world total.

Not dependent on Japanese camphor

Japan, a small naval stores producer, increased her importation of these key materials from this country during recent years to more than five times the amount taken prior to World War I, but it is expected now that Japan will miss American naval stores more than America will miss Japanese silk and camphor. Eight to ten thousand tons of camphor a year are demanded by the world market from the Japanese-controlled natural supply. Synthetic camphor made from turpentine, however, is cheaper and serves as well; the ample American turpentine resources make this country independent of the Japanese natural camphor monopoly.

Expanded production of sugar in U. S. hoped for this year, says Wickard

An increase in the production of sugar in the United States is hoped for this year since the unprecedented distribution of sugar in 1941 reduced the “ever-normal granary” sugar supply by more than 1,000,000 tons, and because of the anticipated curtailment in sugar supplies from some of the offshore areas, Secretary of Agriculture Claude R. Wickard said February 2. Although production in the offshore areas of this hemisphere is expected to increase, supplies for this market from this source are expected to be reduced because of the sugar needs of our Allies, and because of the utilization of large quantities of sugarcane for industrial alcohol for the manufacture of explosives and other war materials.

Factors looking toward expansion

Higher sugar prices, increased Government payments, and the absence of any limitations on production of sugar beets and sugarcane should result in expanded production, the Secretary said. Wholesale refined sugar prices, under the price ceilings fixed by the Office of Price Administration, are approximately $1 per hundredweight higher than the average of the period 1938-40. The base rate of conditional payments to domestic sugar producers has been increased 33 1/3 percent, or from 60 cents to 80 cents per 100 pounds of sugar under legislation recently approved by President extending the Sugar Act of 1937 for another 3 years.

Higher prices for producers

On the basis of present sugar prices and the increased conditional payments, sugar beet producers should average between $6.50 and $6.25 per ton of beets on their 1942 crop, compared with an average of $6.75 from the 1938, 1939, and 1940 crops. The returns of Louisiana sugarcane growers, which are further augmented as a result of their sharing in the increased income from the sale of blackstrap molasses, are expected to average between $5.20 and $5.60 per ton of sugarcane, compared with an average of $5.75 on the last three crops marketed. It is anticipated that the income of independent growers in Florida will increase from an average of $4.25 per ton of cane from the last three crops sold to approximately $6 per ton.

Benefit payments, loan limits raised

The Department of Agriculture naval stores conservation program, administered by the Forest Service, has been liberalized to assist the wartime production increase. New regulations permit each participating producer to work more pine tree “faces” in 1942 than in 1941.

Benefit payments based on proper production practices have been increased in line with increased wage and production costs and Federal loan limits to turpentine and rosin producers have also been raised.

The Department’s foresters estimate that with good practices, the producing life of a turpentine tree in the southeast can be extended for 10 years or more without destroying its future value for timber. Improved operation technique which prolongs the productive life of individual trees, recent development of turpentine yield from second growth slash pine, improved steam distillation of stumpswood, the recovery of paper pulp, sulphate, turpentine, and rosin, and the increased gum yields obtained through the use of sulphuric acid on the stumps cut in the tree (a new process recently worked out by Forest Service research) are all factors expected to facilitate increased production.
95 mills asked to report cotton duck orders, under new or revised ratings, since Jan. 15

The War Production Board January 31 wired 95 textile mills producing cotton duck to submit at once to the WPB a complete list of orders for cotton duck covered by revised or new preference ratings since January 15.

On January 15 the WPB sent telegrams to these same mills and to dealers and jobbers and other mills directing them to accept no contracts for the manufacture of cotton duck that did not have a preference rating of A-1-J or higher. The purpose of the action was to make available to the armed services the entire production of cotton duck, which could be achieved by issuing no preference rating high enough to compete with the ratings for the armed services.

Some lower ratings revised

Subsequently, however, the War Production Board learned that some of the existing orders which had lower ratings than A-1-J or which had no ratings were revised and given higher preference ratings, by extensions of priority ratings in the field, thus competing with the requirements for the armed services as set out in the January 15 telegram.

The mills were advised in the January 31 telegram to notify persons who served such revised ratings on mills to submit all possible substantiating data necessary to enable the WPB to review the rating. Failure to submit such substantiating data will result in cancellation of such new or revised rating.

** Two cotton goods ceilings extensively changed

Numerous changes, largely of a technical nature, are incorporated in amendments issued February 4, to Price Schedules Nos. 11 (Fine Cotton Goods) and 35 (Carded Grey and Colored-Yarn Cotton Goods.) Some of the revisions affect filling satens; the definition of “fine cotton goods”; the dobbi premiums; contracts made under a schedule before the amendments are issued; the print cloth group; information which must appear in contracts of sale; denims; chambrays and overcoats; premiums allowed for goods made to rigid specifications because they are for Army equipment.

COMBED COTTON YARN SCHEDULE REVISED

Complete revision of Price Schedule No. 7, Combed Cotton Yarn, to bring under maximum prices mercerized, “gassed,” and bleached yarns, in addition to yarns “in the grey,” was announced February 3 by OPA. Also added to the schedule are ceiling prices for “Commission” mercerizing, bleaching, and gassing.

As changed, the schedule contains lists of maximum prices, tied to the market price of raw “spot cotton,” for all sizes of combed yarn “in the grey.”

** Kapok restricted to war and specified civilian uses

The War Production Board on February 5 announced restriction of the use of kapok to military and a few essential civilian uses.

The only civilian uses permitted are: insulation padding for airplanes, insulation for freight cars and trucks for the transportation of food for human consumption, and stuffing for air tanks of boats, rafts and life saving appliances in the minimum amounts necessary to comply with requirements of the Bureau of the Marine Inspection and Navigation.

Sale limitations

The order provides that no dealer shall hereafter sell, transfer title to, or deliver any kapok except for:

1. Orders placed by the Defense Supplies Corporation.
2. Orders placed for delivery prior to March 31, 1942, of the minimum amounts necessary to enable them to continue to produce until March 31 the following: life buoys to fill defense orders; life preservers, life jackets and collars for defense orders; sleeping bags, mattresses, pillows, blankets and pontoon bridges to fill War and Navy department orders; and for the civilian uses already listed.
3. Orders specifically authorized by the Director of Industry Operations.

After March 31, such manufacturers must receive their kapok supply, for the manufacture of military and essential civilian products, from the Defense Supplies Corporation.

A preference rating of A-2 is assigned to all orders for kapok placed by the Defense Supplies Corporation.

Another aluminum firm penalized for violating priority orders

Punitive action against the Acme Aluminum Foundry Co., Chicago, Ill., for violation of priority orders was announced February 4 by the Division of Industry Operations.

During the months of September and October 1941, the company delivered 78,000 pounds of aluminum castings on non-defense orders which were not approved by the Director of Priorities of the Office of Production Management, and some of the deliveries were specifically disapproved. The company also violated the provisions of the aluminum priority orders in falling to require all of its customers to file with it a sworn statement covering their inventories and orders placed with other producers.

Suspension Order S-10, which has been issued against the Acme Aluminum Foundry Co., forbids the company to accept deliveries or orders for or to make deliveries of aluminum, aluminum scrap, or aluminum alloys for a period of 2 months beginning February 3, except as specifically directed by the Director of Industry Operations. All other persons are also forbidden to deliver aluminum to or receive aluminum from Acme Aluminum Foundry Co., without express authorization, while the suspension order is in effect.

In order to keep facilities for processing aluminum for important war orders, the company will be directed to fill the essential war orders now on its books, and to fill other such orders when its facilities are needed.

** CARDED COTTON YARN PREMIUM

Premiums above established maximum prices for carded cotton yarn may not be collected on the basis of quality differences, according to an amendment to Price Schedule No. 33 (Carded Cotton Yarn) Issued February 4 by OPA Administrator Henderson.

The amendment also contains several features added February 3 to Price Schedule No. 7 (Combed Cotton Yarn) and clarifies conditions under which premiums may be collected for special twist and special breaking strength. Premiums based on quality alone are excluded by limiting premiums to those specifically authorized.
Several kinds of paperboard shifted to voluntary pacts on maximum prices

Amendment No. 6 to Price Schedule No. 32 for paperboard sold East of the Rocky Mountains, announced February 4 by OPA Administrative Henderson, has the effect of transferring several sections from the status of a formal price schedule to voluntary agreements. The amendment was effective as of February 3, 1942.

The period to be used for price determinations under the voluntary agreements will terminate October 15, 1941, instead of September 30, 1941, as formerly provided under the price schedule. None of the stated prices per ton or per thousand square feet are changed in the amendment or in the voluntary agreements.

Twenty-five grades used principally in the manufacture of fiber shipping cases and 15 grades used principally in the manufacture of boxes by the set-up and folding carton industries remain under the formal ceiling prices established in section 1347.61, appendix A, and in section 1347.62, appendix B, as amended, effective January 1, 1942. The sections wholly deleted from Price Schedule No. 32 are 1347.63, 1347.64, and 1347.65.

Maximum prices for other paperboards which are being transferred from the January schedule into voluntary agreements include special whites, special colors, special sizing, special test and other special characteristics or requirements—all of which were previously covered in paragraph (g) in appendix A and in appendix B.

Price control by individual voluntary agreements with manufacturers also will be made with producers of specialty paperboards formerly covered in section 1947.63, appendix C.

FIRE PUMP COMMITTEE

The formation of a fire pump industry advisory committee was announced by the Bureau of Industry Advisory Committees. Committee members are:


FIRE-FIGHTING ORDER EXTENDED

Preference Rating Order P-45, which assigns a rating of A-2 to deliveries of material which will be used in fire-fighting apparatus required to fill defense orders, was extended on January 31 to February 28, 1942.

The order would have expired at midnight January 31.

Ban on use of molasses lifted for rum makers in Puerto Rico, Virgin Islands

Puerto Rico and Virgin Island rum makers February 2 were granted an exception to the molasses order, M-54, permitting them to make rum during the balance of 1942 at a rate of 90 percent of their 1941 operations.

The order, which went into effect December 31, 1941, prohibits the use of molasses in the manufacture of rum in order to conserve sugar. The February 2 action lifts that ban for Puerto Rico and the Virgin Islands only.

Reason for the exception is that rum manufacture is a leading industry of both United States possessions and its stoppage would result in a serious dislocation of employment.

WAREHOUSING INDUSTRY COMMITTEE APPOINTED

J. R. Shoemaker, chief of the refrigerated warehousing section, Office of Defense Transportation, has announced the appointment of an industry advisory committee representing the warehousing industry. The personnel of the committee follows:


Mr. Shoemaker will serve as chairman.

The committee will meet in Washington on February 14.

Southern hardwood ceiling imposed to check wide inflationary pressure

Inflationary pressure on prices for substantially all species and grades of Southern hardwood lumber, brought about by the Nation's war effort and the accompanying industrial activity, have made necessary the issuance of Price Schedule No. 87 for Southern hardwood lumber, OPA Administrator Henderson announced February 6. The schedule becomes effective February 20, 1942.

Most items cut $2 to $5

Prices on most items in the schedule are reduced $2 to $5 a thousand feet from current levels and tough white ash prices are cut as much as $10 per thousand feet in the thicker sizes. Maximum prices for oak lumber are substantially those prevailing at the time the schedule was issued.

Included in the schedule are prices for red and white oak, red and black gum, tupelo, yellow poplar, sycamore, beech, magnolia, soft maple, soft elm, basswood, cotton wood, hackberry, willow, hickory, and ash, including tough white ash.

Other areas studied

Studies of the Appalachian and Northern hardwood industries are being made by OPA and it is expected that these woods will be placed under a ceiling in the near future.

SHOE LEATHER SUBCOMMITTEE

The formation of a goatskin, kidskin, and cabretta subcommittee of the leather and shoe industry advisory committee was announced February 3. Maj. Joseph W. Byron, head of the WPB leather goods section, is Government presiding officer.

Members of this subcommittee are:

CIVILIAN DEFENSE . . .

American Legion posts to be transformed into training schools for civilian defense

Pursuant to the offer made President Roosevelt through Lynn U. Stambaugh, National Commander of the Legion, of the services of the American Legion in the training of civilian volunteers for civilian defense, James M. Landis, Executive of the United States Office of Civilian Defense, outlined a program whereby those services could be effectively utilized in the civilian defense effort.

Members to organize schools

This program means that a considerable proportion of the 1,107,075 members of the American Legion, in its 12,600 Posts and 58 departments, will participate in organizing in each of the 48 States, schools for the training of personnel who can then be enrolled in the Citizens' Defense Corps of the States and of the localities.

The Legion will select members to organize schools of this character, to transform every Legion Post into a school for training individuals in the types of services needed for the Citizens' Defense Corps.

To further this program, Mr. Landis announced that the State and local defense councils will be asked to cooperate with and assist the Legion in the organization and conduct of these schools, and to make available to the Legion the services of such technical experts as may be possessed by the States, localities, or regional offices.

Under the joint program of the Office of Civilian Defense and the American Legion, it will be suggested to each of the States which are invited to send representatives to the training school at Edgewood Arsenal and the six other schools shortly to be established, that the State recommend an appropriate proportion of Legionnaires, who upon completion of their training courses, may assume specific responsibility for organizing training in their local Posts.

Minimum of 10 days' training

The program contemplates a plan by means of which, at the expense of the Legion and with the cooperation of the State Defense Councils, State-wide schools providing a minimum of 10 days' training shall be held in each State.

According to the plan, representatives from the various local Legion Posts will attend, and, on their return, will conduct similar schools at the local Posts.

To meet OCD specifications

Instruction in all schools conducted by the Legion will meet OCD specifications so that graduates will be eligible for enrollment in the Citizens' Defense Corps of the States. The Office of Civilian Defense will furnish the schools with manuals of instruction and other literature.

Under local jurisdiction

Dean Landis pointed out that while American Legion posts thus are making possible the training of a large number of individual veterans in the principles of the civilian defense program, these veterans become a part of their local defense councils on their return to their home communities.

Auxiliary to help

Simultaneously with acceptance of the Legion's offer, Dean Landis pointed out that the membership of the American Legion Auxiliary can be of tremendous assistance in promoting the organization of Civilian Defense Volunteer Offices in communities in which such offices as yet have not been established.

Mr. Landis suggested that units of the American Legion Auxiliary ascertain from their local defense councils whether such Volunteer Office exists, and if not, the desirability of formation of such an office.

Aides in physical fitness named, to work among Negroes

John B. Kelly, director of physical fitness in the Office of Civilian Defense, announced on February 4, the appointment of Jesse Owens, Olympic track star and Miss Charlotte Moton, former physical education instructor of Hampton Institute, Hampton, Va., as his assistant coordinators in the national office of the Division of Physical Fitness in the Office of Civilian Defense.

Mr. Kelly said they will assist him in coordinating physical fitness activities throughout the Negro communities.

Cities in target areas to get protective equipment without requisitions

Cities in the target areas will not be required to submit requisitions for protective equipment including gas masks and auxiliary fire-fighting equipment, to be provided by the Federal Government out of the appropriation of 100 million dollars recently passed by Congress. It was announced February 3 by James M. Landis, Executive, OCD.

Allocation explained

Mr. Landis outlined the following explanation for the allocation of such material:

The Office of Civilian Defense has based its plans for the purchase and allocation of auxiliary fire apparatus on the following factors:

Priority to be based on consideration of the likelihood of attack of certain areas, their vulnerability to attack and their importance to the national defense.

The determination of these factors was left to the War and Navy Departments. However, as a preliminary measure, with a view to determining the number of auxiliary pumper that would be needed, existing equipment was carefully and completely surveyed, particular attention being directed to the number of units over 15 years of age. This survey was made without regard to possible target areas.

The estimate for the auxiliary fire fighting equipment submitted by this office to the Congress was made upon tentative allocations on the following basis:

In cities under 200,000, one auxiliary pumper for each pump in operation, plus one pumper for each existing pumper over 15 years of age. In cities over 200,000, because of high value areas, two pumpers for each pump in operation, plus one pumper for each pump over 15 years of age.

A determination of our minimum requirements was then made, by limiting the possible target areas to within 300 miles of our seacoasts and certain localities outside of 300-mile target area, selected for their industrial importance from a national defense standpoint as recommended by the War and Navy Departments.

Scarcity of materials and the lack of productive facilities make necessary the above limitations.

Charles H. Murchison named director of Fourth Region, OCD

James M. Landis, Executive, OCD, announced February 3 that President Roosevelt has approved the appointment of Charles H. Murchison, attorney of Jacksonville, Fla., as regional director of the Fourth Region of OCD, with headquarters at Atlanta, Ga.
Reorganization of OCD into six broad divisions announced by Executive Landis

At a press conference February 3, James M. Landis, Executive, Office of Civilian Defense, announced reorganization of the OCD into six divisions: Civil Air Patrol, Civilian Protection, Administrative Service, Community and Volunteer Participation Division, Information Division, and a general Inter-Departmental Council.

New directors named
Mr. Landis appointed four new directors of subdivisions:
Jonathan W. Daniels, editor of the Raleigh News and Observer, as director of program planning in the division of Community and Volunteer Participation Service; Melvyn Douglas, motion picture actor, director of the Arts Council, a section of the Information Division for which a director will soon be named; Hugh Jackson, Associate Secretary of the New York State Charities Aid Association, director of the Operations Division; and Miss Mary Dublin of the Tolan Committee, Survey Director.

Mr. Jackson and Miss Dublin will also be under the supervision of Mrs. Roosevelt.

Mr. Daniels will be charged with organizing youth and group activities and coordinating their work.

Miss Dublin will survey community needs in connection with the war effort and with seeking to bring the facilities of the many Federal agencies into the OCD program to meet these problems.

Mr. Douglas will coordinate the services of actors, artists, and writers with the needs of the Government in carrying the civilian defense program to the people. Mr. Jackson will be in charge of operations of the Volunteer and Community Participation program.

OCD will pursue course charted by Executive order, Landis declares

James M. Landis, Executive of the Office of Civilian Defense, February 8, issued a statement which follows, in part:

To mobilize for war demands
When 5,400,000 people are volunteering their services for the war effort, that is one test of the enormous task imposed upon the Office of Civilian Defense.

The Office of Civilian Defense is determined to use this human energy wisely and effectively in the war effort and not permit it to dissipate itself. It will, as it has, lead in the difficult and enormous task of building an effective system of civilian protection against enemy attack from Maine to San Diego. It will, as it has, seek to mobilize men and women to meet whatever problems war has brought us.

Count on united support
The Executive has the responsibility of creating machinery that will accomplish the task specifically placed upon the Office of Civilian Defense.

This office, like the armed forces, must count upon the united support of loyal Americans. In its determination to fulfill the grave responsibilities imposed, it cannot and will not be deflected from its task by petty criticism or personal attack. Fair constructive criticism is always the right of a free people. Criticism aimed to undermine and divide leadership is another thing.

The Office of Civilian Defense will pursue its course. That course is charted by the Executive order: The building of civilian defenses against enemy attack, the strengthening of Americans to meet the demands of war until victory is won.

Col. Franklin D'Olier resigns as director of Region 2

Col. Franklin D'Olier, regional director of the Second Region of the Office of Civilian Defense, with headquarters in New York City, has resigned under the advice of his physician, it was announced January 31 by James M. Landis, Executive. Colonel D'Olier will maintain his connection with the New York office, however, Mr. Landis said, by accepting a position of consultant.

Col. Walter W. Metcalf, acting assistant regional director in the Second Region, will assume the position of acting director.

No license needed to make or sell civilian defense uniforms, says Landis

No license will be required for the manufacture or sale of uniforms to be worn by workers in the enrolled service of civilian defense, it was announced February 3 by James M. Landis, Executive of the United States Office of Civilian Defense. Neither will certificates be issued or required for the sale or purchase of uniforms, the announcement said.

Regulations issued by the OCD are:
1. No license will be required for the manufacture or sale of civilian defense uniforms by this office.
2. The use of the uniform is restricted to:
   a. Those workers whose duties would be difficult to perform in civilian clothes or whose work in uniform would be to the interest of civilian defense.
   b. Nurses' aides' uniforms are secured only through the American Red Cross.
3. Civilian defense uniforms do not need to have special OCD tags sewn in the garment.
4. Uniforms to be considered official must not only meet the requirements (see 7 below), but must subsequently bear the official OCD insignia.
5. No certificate will be issued or required for the sale or purchase of uniforms. This requirement will be restricted to the issuance and use of OCD insignia.
6. No specific hat design nor type of shoe will be required.
7. A forthcoming publication from this office will cover design, pattern, color, and type of material.

Output of 100 fire pumps a day planned by industry

The fire pump industry will be able to meet the requirements of the Army, Navy, Lend-Lease and Civilian Defense for thousands of new fire-fighting pumps, it was announced February 4 by George Angell, chief of the fire equipment and safety section of the WPB.

In addition, he said, the industry will be able to use substitute materials for some of the critical items now being used in such pumps.

Industry representatives, comprising an industry advisory committee, advised the WPB representatives that while some additional tooling it will be possible for them to increase production to at least 100 per day of pumps with a capacity of 500 gallons per minute and suitable for front mounting on fire engines. About 30 such pumps are now produced daily.
Dexter M. Keezer named assistant administrator, OPA, in charge of Consumer Division

Appointment of Dexter M. Keezer, president of Reed College, Portland, Ore., as assistant administrator of the Office of Price Administration in charge of the Consumer Division was announced February 3 by Administrator Henderson.

Dan A. West, deputy director of the Division since early December, will continue as director under Mr. Keezer.

Formerly with NRA

President of Reed College since 1939, Mr. Keezer formerly was executive director of the Consumer Advisory Board of the NRA and was a member of the National Advisory Committee of the National Youth Administration.

He was associate editor of the Baltimore Sun from 1929 to 1933 and before that was a correspondent for The Scripps-Howard newspapers in Washington. Between 1922 and 1927 he taught economics at Cornell University, the University of Colorado, and the University of North Carolina. He was visiting lecturer on citizenship at Dartmouth in 1928-1929.

Served in World War

During the World War, Mr. Keezer served with a machine gun battalion in the United States Army with the rank of captain.

He is a graduate of Amherst, and holds A. M. and Ph. D. degrees respectively from Cornell University and the Brookings Graduate School of Economics and Government. His home is in Portland.

DEFENSE SAVINGS TITLE RETAINED

The United States Government securities being purchased by the American people to help defray the expenses of war will continue for the present to be called Defense Savings Bonds, the Treasury Department announced January 27.

* * *

Buying and selling of sisal and henequen fibers stopped pending formal order

The War Production Board January 31 wired 24 cordage and twine manufacturers, 19 brokers and importers of hard fibers, eight state prisons, and 62 manufacturers of mattresses and studio couches to cease further purchase and sale of sisal and henequen fibers pending issuance of a formal order.

Sisal, from Mexico, and henequen, from Mexico and Cuba, have come into much demand since further supplies of manila fiber from the Philippines and sisal from Java have been cut off by the war in the Pacific. The fibers are used as padding in upholstery, rope, and burlap twine.

As a result, present buying resulting in a shortage of sisal and henequen endangers supplies for essential military and civilian uses.

Enemy radio propagandists spread lies intended to divide United Peoples, MacLeish warns

Warning that the “Borgia Bund” of enemy radio propagandists is using an ancient technique to spread a brand new concoction of lies in an attempt to poison the minds of the United Peoples against one another was sounded February 5 by Archibald MacLeish, Director of the Office of Facts and Figures.

“The technique,” said Mr. MacLeish, “is as old as Satan. It is the shabby but subtle system of playing both ends against the middle. The Axis propaganda poisoners are constantly on the air whispering defamatory stories about the British or the Australians or the South Americans into listening ears in the United States, then they nimbly switch to a beam aimed at Britain or another of the United Nations to pour out lies about us.”

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MARINE CORPS STRENGTH PASSES 100,000 MARK

Strength of the United States Marine Corps passed the 100,000 mark in officers and men February 2, Col. Frank Halford, U. S. Marine Corps (retired), director of the Division of Recruiting, Marine Corps Headquarters, announced.

OFFICE FOR EMERGENCY MANAGEMENT

Wayne Coy, Liaison Officer

Office of Defense Transportation: Joseph B. Eastman, Director.

Office of Facts and Figures: Archibald MacLeish, Director.


Consumer Division: Walter M. Keezer, Assistant Administrator, in charge. Dan A. West, Director.

Office of Price Administration: Leon Henderson, Administrator.

War Production Board:

Donald M. Nelson, Chairman.

Secretary: Herbert Emmerich.

Purchases Division: Douglas MacKeachie, Director.

Production Division: W. H. Harrison, Director.

Materials Division: Wm. L. Batt, Director.

Division of Industry Operations: J. S. Enckelson, Director.

Labor Division: Sidney Hultman, Director.

Civilian Supply Division: Leon Henderson, Director.

Progress Reporting: Stacy May, Chief.

Requisitions Committee: Wm. L. Batt, Chief.

Statistics Division: Stacy May, Chief.

Information Division: Robert W. Horton, Director.

Legal Division: John Lord O'Brien, General Counsel.