

DEFENSE

★ OFFICIAL BULLETIN
 ★ of the NATIONAL DEFENSE
 ★ ADVISORY COMMISSION
 ★ Washington, D. C. Issued Weekly
 ★ MAR. 18, 1941 • VOL. 2, NO. 11

DEFENSE AGENCY REORGANIZATION

William H. McReynolds, liaison officer for Emergency Management and one of the President's administrative assistants, announced an administrative reorganization of the defense agencies whereby the following "are established in or coordinated through the Office for Emergency Management":

The OPM, the Division of Defense Housing Coordination, Division of State and Local Cooperation, Office for Coordination of Commercial and Cultural Relations Between the American Republics, National Defense Research Committee, Defense Communications Board and the Labor, Agriculture; Price Stabilization, Transportation, Information, and Consumer Protection Divisions of the National Defense Advisory Commission.

To maintain a central budgeting, accounting, and fiscal-control system for the OEM and handle personnel and general office services, Mr. McReynolds established a division of central administrative services, under the direction of Sidney Sherwood. Mr. McReynolds said the Division of Information, under the direction of Robert W. Horton, would provide "central informational services to the several offices and divisions."

INDEX

Export control.....	2
Labor	3, 4, 5
Housing	6, 7
Purchases	8, 9
State and local cooperation.....	10
Price stabilization.....	12
Transportation.....	13
Agriculture	14, 15
Priorities	16

Vocational training—stabilization of shipbuilding industry—emphasized by Mr. Hillman at press conference

Following are remarks from the press conference, March 13, of Sidney Hillman, Associate Director General, Office of Production Management:

The training of workers for defense jobs is now moving full speed ahead. In this respect, we are getting splendid cooperation from all Government agencies—from the United States Employment Service, for example; from the Federal Committee on Apprenticeship, and from the vocational schools. In our training-within-industry program especially, we are getting an even greater amount of cooperation between labor and management.

It is rather remarkable to me that, although 9 months ago when I came to Washington, there was a general cry about bottlenecks, today I hear less—a good deal less—about this problem. I think it is fair to say that, so far as the actual training programs are concerned, we are, if not a step ahead, at least *in step* with requirements as they arise day by day.

Vocational training schools in every part of the country are doing a particularly splendid job in conducting their refresher courses in which skills grown rusty are polished up, and for which 375,000 people have been enrolled since July 1940. Moreover, in Baltimore, Md., Paterson, N. J., San Diego, Calif., and Williamsport, Pa.—which are typical of many other communities in the country—more than 80 percent of those who have received refresher training courses have been placed in jobs. That really exceeds our highest expectations.

At the same time, as you know, the National Youth Administration is using a great number of its facilities for training young people. At the moment there are about 125,000 youths who get training which prepares them for work in defense

industry. In addition, some 65,000 people are enrolled in 119 engineering colleges, taking special engineering courses which will fit them for technical, managerial, and supervisory positions. At the beginning of the defense program, of course, we were very much worried that the most dangerous kind of bottleneck would result from a lack of skilled workers and supervisory personnel. We found that this latter problem—namely, that of developing adequate supervisory personnel—deserved more and more of our attention. Hence, with the cooperation of Dr. Stuebaker in the Office of Education and Mr. McNutt of the Social Security Board, we had several conferences with the heads of leading engineering institutions throughout the Nation to design courses for people who had had experience in the engineering field but who, during the depression, had gone into other employment. Now we expect that as a result of this undertaking a great deal of new technical and engineering talent will soon be made available to quicken the defense program.

On-the-job training

Of course, we all realize that the most effective kind of training is that done right in the plant—right on the job. We therefore established our training-within-industry program under the direction of Mr. Channing R. Dooley, whom we borrowed from Socony-Vacuum, and Mr. Walter Dietz, who was loaned to us by Western Electric Co. Under their supervision, in 22 offices in the chief industrial centers throughout the country, this on-the-job-training is making remarkable progress. We have, as you know, the very best personnel authorities—some 350 of them in fact—who are supervising

(Continued on page 3)

DEFENSE EXPORT CONTROL . . .

OFFICIAL BULLETIN published weekly by the Division of Information for the Advisory Commission to the Council of National Defense, and printed at the United States Government Printing Office, Washington, D. C. Published with the approval of the Bureau of the Budget (Rule 42, J. C. P.). This issue contains announcements made from March 10 to March 17.

SUBSCRIPTION RATES, BY MAIL

75 cents for 52 issues; 25 cents for 13 issues; single copies 5 cents, payable in advance. Remit money order payable directly to the Superintendent of Documents, Government Printing Office, Washington, D. C.



NATIONAL DEFENSE ADVISORY COMMISSION

RALPH BUDD, *Transportation.*

CHESTER DAVIS, *Agriculture.*

HARRIET ELLIOTT, *Consumer Protection.*

LEON HENDERSON, *Price Stabilization.*

SIDNEY HILLMAN, *Labor.*

WILLIAM S. KNUDSEN, *Industrial Production.*

EDWARD R. STETTINIUS, *Industrial Materials.*

FRANK BANE, *State and Local Cooperation.*

ROBERT W. HORTON, *Information.*

STACY MAY, *Research and Statistics.*

PAUL V. McNUTT, *Coordinator of Health, Welfare and Related Defense Activities.*

WILLIAM H. McREYNOLDS, *Secretary of the Commission.*



NELSON ROCKEFELLER, *Coordinator of Commercial and Cultural Relations Between the American Republics.*

New general counsel for Mr. Rockefeller's office

Nelson A. Rockefeller, coordinator of commercial and cultural relations between the American Republics, on March 8 announced the appointment of John Edwards Lockwood as general counsel. Mr. Lockwood succeeds Mr. Carl B. Spaeth, who will assume the duties of Assistant Coordinator.

Aviation lubricating oil and motor fuel to British Empire under unlimited licenses

In accordance with directives issued by Brig. Gen. Russel L. Maxwell, administrator of export control, the department of State has notified all collectors of customs that unlimited licenses have been issued permitting the exportation of aviation motor fuel and aviation lubricating oil to various countries of the British Empire.

These licenses have been issued to the British Purchasing Commission. An exporter wishing to ship either product to any destination on the following list, needs but to obtain the permission of the British Purchasing Commission to use the unlimited license number. This number is placed on the export declaration and the shipment may be made without the necessity of obtaining an individual license.

	Aviation motor fuel	Aviation lubricating oil
Australia.....	EB 1661	ED 4448
New Zealand.....	1662	4449
Newfoundland.....	1663	4450
Union of South Africa.....	1664	4451
Burma.....	1665	4452
India.....	1666	4453
Palestine.....	1667	4454
Tanganyika Territory.....	1668	4455
Aden.....	1669	4456
Leeward Islands.....	1670	4457
Windward Islands.....	1671	4458
Bahamas.....	1672	4459
Barbados.....	1673	4460
Bermuda.....	1674	4461
Jamaica.....	1675	4462
Trinidad.....	1676	4463
Gold Coast.....	1677	4464
Nigeria.....	1678	4465
Sierra Leone.....	1679	4466
Straits Settlements.....	1680	4467



Ten additional export products under general licenses—for Canada, Great Britain, Northern Ireland

In accordance with directives issued by Brig. Gen. Russell L. Maxwell, Administrator of Export Control, the Department of State on March 10 notified all collectors of customs that general licenses, in accordance with the provisions

of Executive Order 8640, have been issued permitting the exportation to Canada, Great Britain, and Northern Ireland of ten additional articles and materials.

Under the provisions of Presidential Proclamation 2413, approved July 2, 1940, the Secretary of State is authorized to issue or deny export licenses, covering articles or materials subject to export control, in accordance with specific directives communicated to him by the Administrator of Export Control.

Collectors of customs, under instructions March 10, are authorized to permit any exporter, without the requirement of an individual license, to export to Canada, Great Britain, and Northern Ireland any of the licensable articles and materials on the following list:

Licensable products	Canada	Great Britain and Northern Ireland
Beryllium.....	GBQ1	GBQ2
Graphite electrodes.....	GBR1	GBR2
Cadmium.....	GCM1	GCM2
Carbon black.....	GCP1	GCP2
Petroleum coke.....	GCT1	GCT2
Jute ¹	GCU1	GCU2
Lead ¹	GCW1	GCW2
Borax ¹	GCX1	G CX2
Phosphates ¹	GEP1	GEP2
Pine oil.....	GCS1	GCS2
Glycerin.....	GCR1	GCR2
Cresylic acid and cresols.....		

¹ The proclamation covering these articles and materials becomes effective March 24, 1941.



Defense radio broadcasts

A series of Nation-wide radio programs entitled "Jobs in Defense," produced in cooperation with the Office of Production Management, will be broadcast over the Columbia Broadcasting System at 12:45 to 1 p. m. E. S. T.

This series is aimed at explaining the importance of labor registration and the defense labor training program—both "on-the-job" and in the Nation's vocational schools.

The following leaders in industry and labor, together with OPM officials, will appear: March 22—Mr. Paul V. McNutt, Mr. Arthur J. Altmeyer; March 29—Mr. Ralph E. Flanders; April 26—Mr. John M. Carmody; May 17—Mr. Morris L. Cooke, Dr. Isador Lubin.

The first program of the series was broadcast March 15.

LABOR DIVISION . . .

Mr. Hillman

(Continued from page 1)

this training-within-industry program in the field. They are assisted by panels of labor advisers and industrial advisers who jointly develop the kind of program best adapted to the needs of a particular plant. A valuable byproduct, of course, in this training-within-industry program is that labor and management groups are getting together in a spirit of closer cooperation.

Shipbuilding labor

Simultaneously, we are making considerable progress in our stabilization work for shipbuilding. We have proposed several conferences in various zones for the purpose of bringing stability to the shipbuilding industry—to establish effective machinery for adjusting points at issue between management and labor so that, in our tremendous shipbuilding program, the country can be insured as much as possible against work stoppages and undue migration of labor from yard to yard, and the like. We have just announced that within the next 2 weeks conferences will be held on the Gulf coast and along the Atlantic seaboard.

I think that is about all, gentlemen, unless you have some questions to ask.

Q. In connection with shipbuilding, Mr. Hillman, have you done anything about mobilizing shipbuilding workers along the Great Lakes?

A. We are giving it consideration.

Q. But there are no zone conferences scheduled?

A. No. However, zones are not yet frozen. At the present time we are centering our attention on the Pacific coast, where a conference is now going on.

Q. I understand that Bethlehem Shipbuilding is refusing to take part in the west coast conference. Is that true?

A. No; my information is that they have definitely agreed to accept any decision of that conference as binding upon them.

Q. Mr. Hillman, it was reported that Admiral Land and Navy Secretary Knox sent a telegram to the owners of each shipyard in the country ordering them not to raise or lower wages until these conferences have been carried out.

A. I think that has been misunderstood. There was no intention of freezing anything. There was nothing in that letter, as far as I know, that could

be interpreted as freezing wages at all. We told them that we wanted, as much as possible, to hold things where they were while the stabilization negotiations are going on.

Q. What were they supposed to keep in the situation?

A. Well, we are discussing some of these fundamental things. We were anxious that unions and employers not make agreements that might interfere one way or the other with the Shipbuilding Stabilization Committee's progress. It was not intended as a prohibition. Some changes that were necessary have been made. The guide was to use common sense. We are all engaged in an effort to stabilize conditions for the industry as a whole. Those matters that are not compelling should be left aside until we get over the first hurdles.

Q. Was the idea to keep the temporary status quo until they ironed out the whole situation?

A. I wouldn't say the status quo. In some instances, some shipbuilding companies had been carrying on negotiations and we told them to go ahead and complete their negotiations. There was no intention of stopping them.

Q. Is there a general wage demand? Is there a demand for a general wage increase on the west coast? Is that an issue involved in the situation?

A. I couldn't report details to you at this time. All I had was about an hour's discussion on broad questions of policy with the Committee, but I have my personal representative, Dr. Lubin, there to report to me if something of importance arises that needs my attention.

Strike situation not serious

Q. How is the strike situation now, Mr. Hillman?

A. Well, from the front-page standpoint, I think it is very serious. I think, generally, we here still believe that the situation is in very good control. While we have more stoppages than I personally would like to see at this time, it is fair to say that the defense program has not been seriously interfered with.

Q. Do you feel any need, Mr. Hillman, for a compulsory waiting period before striking?

A. I have stated my position before the House Judiciary Committee. I have no reason to go back on that statement.

Allis-Chalmers strike

Q. Mr. Hillman, when the negotiators for Allis Chalmers left here Saturday, you said you couldn't promise any early return to work and later left it up in the air as to what would happen next. Since then, there have been various stories printed that the Allis Chalmers plant may be taken over by the Government. Is there anything you can talk about along that line?

A. I prefer not to go into details about the Allis-Chalmers situation until the matter is closed up. Dr. Steelman is there today, as I understand it from the papers, so I am not disclosing any secrets—otherwise I'd tell you off the record. I think it is a rather interesting story and it may help us in future situations with some of the angles involved. As far as OPM activities—it is all a matter of public record—I have given my testimony before the Sumners committee. It is unfortunate that the people are not back to work yet but I am not here placing the responsibility on anybody. The record is that the workers have voted to go to work, I think, last Monday, a week ago. I have asked the representatives of the International Union of the UAW of the CIO to go out in person and submit our proposals to the workers on strike. Their official representative of the CIO went out there to show that they carry through their obligation given here in good faith, not merely to submit the proposals, but to recommend and urge adoption. My information is that in spite of the opposition of some local people at that meeting it was overwhelmingly adopted.

Q. Do you know if Mr. Babb of Allis-Chalmers is the same Mr. Babb who is a contributor to the America First Committee? Mr. Max Babb, isn't it?

A. I couldn't say whether it is the same name or not.

★ ★ ★

Register at once—Mr. Hillman urges workers

Sidney Hillman, associate director general, OPM, on March 15 issued a statement to American workers asking that they cooperate in a special Nation-wide registration of all workers available for defense jobs. His statement follows:

"In the next few months hundreds of

thousands more of you will be needed to speed the national defense program in shops, factories, shipyards—to build new plants for industry, shelter for civilian defense workers, camps for soldiers.

"To meet these new defense demands, the Office of Production Management has asked the United States Employment Service to conduct a special Nation-wide registration of all workers available for defense jobs. This registration will begin on March 15 at all local offices of every State Employment Service in the country.

"The Office of Production Management has also asked all defense employers to cooperate with this national effort by using the 1,500 local public employment offices in hiring new employees.

"If you are out of work and looking for a job, register at once at the nearest local employment office.

"If you have a skill useful for defense work but which you are not using in your present job, register at once at the nearest local employment office. Typical of the many different skills now urgently required by defense industry are the following:

Aircraft manufacturing—including airplane sheet metal workers, airplane woodworkers and inspectors, and aeronautical engineers;

Shipbuilding—including ship carpenters, loftsmen, boatbuilders, shipfitters, caulkers, and marine machinists;

Machine shops and machinery manufacturing—including machinists, tool makers, lathe operators, boring mill operators, tool and die designers.

"The Employment Service does not encourage or desire registration of workers who are already employed in any of the above industries. This registration is voluntary. It is the democratic way. Its success depends upon you. I am confident that each one of you will consider it his personal and patriotic duty to see to it that this registration does succeed."

★ ★ ★

Appointment of Rolland D. Severy to Labor Division

Sidney Hillman, Associate Director General of the Office of Production Management, on March 15 announced the appointment of Rolland D. Severy, formerly of the Civil Service Assembly, as his administrative assistant in charge of personnel, budget and office services for the Labor Division.

National campaign to prevent labor shortages in defense industries

The United States Employment Service of the Social Security Board and its affiliated State employment services are making intensive efforts this month to obtain the registration of all workers who may be available for work or training in occupations needed in rapidly expanding defense industries.

The drive, which will be carried on by the 1,500 local State employment offices scattered throughout the country, is directed at people in these two categories: (1) Those who are unemployed, but capable of holding jobs; (2) those who have skills in the following kinds of work needed for defense, but who are now employed on jobs where those skills are not being used—

Aircraft manufacturing, including airplane sheet metal workers, airplane woodworkers, and inspectors.

Aeronautical engineering.

Shipbuilding, including ship carpenters, loftsmen, boatbuilders, ship-fitters, caulkers, and marine machinists.

Machine shops and machinery manufacturing, including machinists, tool makers, lathe operators, die makers, and tool designers.

Factors affecting labor supply

According to the United States Employment Service, there are already indications of impending labor shortages in these occupations. Other factors making the registration campaign necessary include the growing necessity for recruiting trainees who would normally provide a future supply of skilled labor. In addition, some communities which were previously nonindustrial, have received defense contracts and in some instances it will be necessary to recruit workers for these areas. Fear has also been expressed that farm workers will be drawn into the cities in such numbers that some local shortages may occur when peak agricultural seasons are reached. Finally, it is estimated that approximately 600,000 men will leave civilian life for service under the Selective Service Act before the first of July. Their places in industry must be filled to prevent delays in defense production.

Cooperation of State and local leaders needed

It is hoped that the national registration of workers will be completed by April

15. Immediately following the registration, the Social Security Board's Bureau of Employment Security will make an exhaustive analysis of the results.

In this campaign to prevent labor shortages, to prevent needless migration of workers from one place to another, and to make sure that jobs will be filled quickly as they open up, the United States Employment Service urges the active cooperation of Governors, heads of State Defense Councils, mayors, and other State and local leaders.

★ ★ ★

FOR DEFENSE EMPLOYERS

The Office of Production Management March 12-issued a leaflet outlining for defense employers the services available through the United States Employment Service, the "Training Within Industry" Section of the Labor Division, National Defense Advisory Commission, the United States Office of Education, and the Federal Committee on Apprenticeship.

The publication is entitled, *Defense Employers—How You Can Get Workers For Your Plants*.

★ ★ ★

Appointment of special assistant on labor problems

Sidney Hillman, Associate Director-General, Office of Production Management, on March 12 announced the appointment of Eli Oliver, formerly executive director of the American Labor Party in New York State, as a special assistant on labor problems. Mr. Oliver, who was executive vice president of Labor's Non-Partisan League from 1937 until June 1940, will assist Mr. Hillman's staff of labor relations consultants.

In addition to his experience in labor relations, Mr. Oliver has served as an economist and as an industrial engineer. A graduate of the University of Minnesota, he taught industrial relations and management at the Wharton School of Commerce and Finance at the University of Pennsylvania.

He has also worked for the Federal

Government in many capacities, serving as a member of the staff of the Federal Trade Commission investigating the dairy industry in the West Central States, and as the representative of the textile workers union on the Textile Work Assignment Board.

For 2 years, Mr. Oliver represented several of the railroad unions in national wage cases before the Railway Labor Board. He held the post of research director of the Brotherhood of Railway Clerks for the 8 years preceding his connection with Labor's Non-Partisan League.

★ ★ ★

Additional 20,000,000 pounds of aluminum will raise Bonneville-Grand Coulee output to 210,000,000 pounds annually

Secretary of the Interior Harold L. Ickes announced March 10 the signing of a second contract with the Reynolds Metals Co. for delivery of an additional block of 20,000 kilowatts of Bonneville-Grand Coulee power to that concern.

The new contract, which is for a 20-year period, is in addition to one signed with the Reynolds Metals Co. on February 24, under which the Bonneville Power Administration agreed to deliver 40,000 kilowatts of power for aluminum manufacture.

The Reynolds Co. will use the additional block of 20,000 kilowatts to increase the production of pig aluminum in their projected plant from the originally announced 40,000,000 pounds annually to 60,000,000 pounds annually.

Federal power pays Nation dividends

The 50 percent expansion of the capacity of the Reynolds Metals Co. plant increases the amount of critically needed aluminum to be produced with Columbia River power from the Bonneville-Grand Coulee system to 210,000,000 pounds annually. Of this amount, 150,000,000 pounds will be produced by the Aluminum Co. of America, which has erected a large plant at Vancouver, Wash., using Bonneville-Grand Coulee power.

In announcing the new contract, Secretary Ickes said: "At a time when aluminum production is one of the great pressing problems standing between us and defense, the Columbia River projects provide the Nation's only large source of immediate power available for production of this metal.

Zone conferences called to formulate employment standards for shipbuilding industry

In an effort to set employment standards for production workers in the shipbuilding industry, the Office of Production Management is calling a series of zone conferences, Sidney Hillman, Associate Director General, announced March 12.

A Pacific Coast conference is now in session in San Francisco. Another for the Gulf area will convene in New Orleans on March 24. Unlike the conferences in the other zones, the one in New Orleans will consider standards not only in the shipbuilding but also in the ship-repair industry. A third conference for the entire Atlantic seaboard is scheduled to open on March 31 in Atlantic City.

Attending these meetings will be representatives of all shipbuilding employers in each area, of the Industrial Union of Marine and Shipbuilding Workers of America (CIO), the member unions of the Metal Trades Department (AFL), the Navy Department, the Maritime Commission, and the Office of Production Management.

"Using the democratic procedure of making mutually satisfactory decisions around the conference table, this series of meetings should result in stability of both employment and production," Mr. Hillman said.

The decision to hold conferences in the Gulf and the Atlantic seaboard areas came as a result of a recommendation by the shipbuilding stabilization committee at its meeting March 3. This committee, under chairmanship of Morris L. Cooke of Mr. Hillman's staff, is composed of representatives of employers in the industry, the CIO and AFL unions in this field, the Navy, and the Maritime Commission.

Conference objectives

The zone conferences will attempt to set standards under the following categories: Basic rates for standard skilled mechanics; overtime provisions; shift premiums; no-strike and no-lockout clauses; no limitation on production provisions; grievance and arbitration machinery.

The zone standards arrived at by these conferences will be announced by the Office of Production Management as covering all shipbuilding yards in the areas

involved. All employees and unions within any particular region will then undertake to make these zone standards a part of their collective bargaining agreements.

The Gulf zone includes not only all shipyards bordering on the Gulf of Mexico but also those on the east coast of Florida. The Atlantic zone covers yards as far south as, and including, Charleston, S. C.

Conferees

The conference in San Francisco first convened on February 3, recessed after a week to allow the conferees to discuss various questions with the shipbuilding stabilization committee in Washington, and reconvened March 10 in San Francisco. In attendance, in addition to representatives of the shipbuilders and their employees from all parts of the west coast, are the following Government observers: Capt. C. W. Fisher, representing the Navy; Daniel S. Ring, representing the Maritime Commission; Isador Lubin representing OPM, and T. L. Norton, executive secretary of the shipbuilding stabilization committee.

Shipbuilding stabilization committee

The shipbuilding stabilization committee is composed of the following members: Morris L. Cooke, chairman; Harvey Brown, president of the International Association of Machinists; John P. Frey, president, metal trades department (AFL); John Green, president, Industrial Union of Marine & Shipbuilding Workers of America (CIO); Gregory Harrison, representing Pacific coast shipyards; Admiral Emory S. Land, chairman, United States Maritime Commission; F. A. Lidell, representing Gulf coast shipyards; Joseph W. Powell, special assistant to the Secretary of the Navy, representing the United States Navy; Prof. H. L. Seward, representing North Atlantic and South Atlantic coast shipyards; H. Gerrish Smith, representing Great Lakes shipyards; Philip H. Van Gelder, secretary, Industrial Union of Marine & Shipbuilding Workers of America, and T. L. Norton, executive secretary of the committee.

HOUSING . . .

Contracts for additional 1,110 dwelling units awarded during week ending March 8

Contracts were let for an additional 1,110 dwelling units under the coordinated national defense housing program during the week ended March 8, it was reported by C. F. Palmer, Coordinator of Defense Housing.

As of March 8, according to the Coordinator, total contracts had been let for the construction with public funds of 39,850 dwelling units in 88 localities of 37 States and Territories.

Mr. Palmer also announced that during the week an additional 237 units had been made available for occupancy, bringing the total number of homes in which the families of defense workers or the enlisted personnel are now living, to 2,752 in 16 localities of 11 different States and territories.

Of the number of dwelling units under contract, Mr. Palmer continued, 22,120 are for civilian workers and 17,730 for the married enlisted personnel. 1,689 of the completed dwellings are occupied by civilian, and 1,063 by Army and Navy personnel.

A summary of activities of various governmental agencies participating in the defense housing program as of last week shows:

Local housing authorities change status

Federal Works Agency.—Federal Works Administrator John M. Carmody, announced that enlarged responsibilities and greater freedom for direct action in the defense housing program had been given to 25 local housing authorities by making them direct agents of the Federal Works Administrator. Mr. Carmody said this move was in line with the effort of the FWA to make use of many types of arrangements to speed the construction of defense housing.

The 25 local housing authorities affected by the order are:

Alabama — Birmingham, Gadsden; *California* — Alameda; *Connecticut* — Bridgeport, New Britain; *Florida*—Jacksonville, Miami, Pensacola; *Illinois*—Madison County (East Alton); *Maryland*—Baltimore; *Massachusetts*—Boston; *New Jersey*—Newark; *New York*—

Buffalo, Lackawanna, New York City; *North Carolina*—Wilmington; *Ohio*—Warren (Ravenna); *Pennsylvania* — Bethlehem, Beaver County, Erie, Harrisburg, Philadelphia; *Rhode Island*—Newport; *South Carolina*—Charleston; *Tennessee* — Nashville; *Texas* — Corpus Christi, Orange; *Washington*—Bremerton.

As of March 8, the FWA had a total of 23,847 dwelling units under construction at a total estimated construction cost of \$75,448,063.

New housing for Hawaii

Public Buildings Administration.—Public Buildings Administration announced the award of contracts for 575 family housing units in 4 defense projects at a total estimated cost of \$1,974,000. Included in the awards were 342 units at Schofield Barracks costing \$1,180,000, 105 units at Honolulu costing \$350,000, 43 units at Fort Kamehameha costing \$161,000, and 85 family dwelling units near the Holabird Quartermaster Depot at Baltimore, Maryland, at a cost of \$283,000.

Private home construction

Federal Housing Administration.—Federal Housing Administrator Abner H. Ferguson reported that applications during the week ended March 8 for FHA mortgage insurance covering new homes to be built under its inspection were the second highest on record. There were 6,680 mortgages selected for appraisal during the week in an amount of \$30,560,500. 5,287 of the applications were for the insurance of new home mortgages. Mr. Ferguson pointed out that FHA mortgages selected for appraisal on new homes are considered an accurate barometer of the trend of private small home construction for the country as a whole.

1941 home financing increases

Federal Home Loan Bank Board.—Federal Home Loan Bank Board reported that January home financing exceeded the same month of 1940 by 17 percent in nonfarm areas.

STATUS OF PUBLIC DEFENSE HOUSING CONSTRUCTION MARCH 8, 1941

	Funds allocated	Contracts awarded	Completed
Number of States and Territories.....	46	37	11
Number of localities.....	133	88	16
Number of projects.....	250	140	17
Number of family dwelling units.....	72,301	39,850	2,752
Civilian industrial workers.....	36,792	15,922	965
Other civilians: Employees of Army and Navy.....	9,739	6,198	724
Married enlisted personnel.....	25,770	17,730	1,063

PRIVATE CONSTRUCTION UNDER FHA MORTGAGE INSURANCE

	Week ended Mar. 8	Previous week
New homes started.....	5,287	4,539
New home mortgages selected for appraisal.....	2,341	2,051

★ ★ ★

The office of Mr. Charles F. Palmer, Coordinator of National Defense Housing, is, by Executive order, within the Office for Emergency Management, Executive Offices of the President.

★ ★ ★

American planes have fire power and armor protection equal to European craft

Taking issue with a statement attributed in the press recently to A. T. Colwell, president of the Society of Automotive Engineers, to the effect that no fighting planes are planned in the United States which can compete with English or German models for fire power or armor protection, Merrill C. Meigs, chief of the aircraft branch, Production Division, OPM, said on March 16:

"Planes now coming off American production lines are the equal of any European-made craft in fire power and armor protection * * *."

Recommendation of a temporary shelter program embodying 5,551 units, comprising 15 projects in 10 localities

A temporary shelter program embodying 5,551 dwelling units, comprising 15 projects in 10 localities of the country has been recommended to the President by C. F. Palmer, Defense Housing Coordinator.

The first areas in which critical housing shortages require the establishment of emergency temporary shelter until more adequate accommodations can be provided under the coordinated defense housing program were listed by Mr. Palmer as follows:

New London, Conn.
Erie, Pa.
Sidney, N. Y.
Baltimore, Md.
Orange, Tex.
Nashville, Tenn.
San Diego, Calif.
Bremerton, Wash.
Portsmouth, Va.
Wilmington, N. C.

The mediums of temporary shelter to be provided, according to Mr. Palmer, will include family trailers, dormitories for single men, and a ship. The program will be financed with a \$5,000,000 fund allocated to President Roosevelt for temporary shelter purposes.

Only for short time

Mr. Palmer said such temporary emergency shelter will be used in certain vital areas where regular defense housing cannot be provided in time to meet a critical need.

He emphasized the fact that such accommodations would be used only for a period of a few months by any one individual or family. Such families would later move into regular and permanent defense housing units. Trailers or other forms of emergency housing would then be moved and used by other families in new locations.

Mr. Palmer announced that dormitories and ships for use by single men during the period of the defense program would be so designed and arranged as to constitute satisfactory accommodations from the standpoint of sanitation and public welfare for the period of their use. The standards for interior space and sanitation for all emergency housing, he added, would have to meet the minimums prescribed by the Division of Defense Housing Coordination.

FSA management

The Coordinator revealed that the mobile units, and most of the dormitories for single people would be managed by the Farm Security Administration, while boats would be purchased and refitted, in all probability, by the Maritime Commission.

He pointed out that the Farm Security Administration had had wide experience in the control of shelter for migratory workers and that the temporary defense housing shelter would be conducted along the same lines.

Regional coordinators of the Division of Defense Housing Coordination, according to Mr. Palmer, would check from time to time to ascertain the need for continuing the temporary shelter programs in any location and would make a report at such time as units could be removed in whole or in part. This information would then be released to the agency handling that particular locality with instructions as to disposition of the units.

Mr. Palmer said that in areas where the temporary shelter is programmed, there are already a large number of permanent dwelling units for which funds have been allocated or on which construction has already started.

In New London, Conn., he said 400 permanent units are to be built with public funds; in Erie, Pa., 500; in San Diego, Calif., 4,200; in Sidney, N. Y., 200; Baltimore, Md., 2,000; Nashville, Tenn., 300; Orange, Tex., 850; and Bremerton, Wash., 1,400. In the Hampton Roads area, Va., he said more than 6,000 units are nearing completion.

★ ★ ★

New agricultural consultant for priorities division

Mr. Clifford V. Gregory, in charge of priorities for the agricultural division and associate publisher of *Wallace's Farmer*, has been appointed to serve in a consultative capacity on all priorities relating to agriculture, it has been announced by E. R. Stettinius, Jr., director of priorities for OPM.

Wide variety of meat products will be served to men in Army

A wider range of meat products, particularly fresh meats, will be bought by the Army as a result of agreements reached in a recent conference of leaders in the livestock industry with officials of the Army Quartermaster Corps and the Division of Purchases, Office of Production Management.

This conference, held in the office of Donald M. Nelson, Director of the Division of Purchases, brought about extension of weight ranges and a liberalization of the grades of meat which can be bought for the Army ration.

Meat consumption high

In this connection, it is pointed out that the American soldier is getting in his regular ration substantially more fresh meat than the per capita average of consumption by the entire country.

As a general rule, the soldier gets meat or protein foods at 18 of his 21 weekly meals.

His breakfast, for example, includes bacon or eggs, or the two together, or meat in some other form—ground beef, for instance, creamed and served on toast.

Five days in every week find meat—roast, steak, chops, etc.—on the noonday menu. On an average, each man is allowed one-half pound of meat at this meal, the exact allowance varying with different kinds of meat. If steak is served, for instance, the allowance is 50 to 55 pounds for 100 men. Ground steak for meat loaf is figured at 35 pounds for 100 men, chuck meat for pot roast at 65 pounds for 100 men, and so on. On Friday noon, fresh fish is served.

Pork and beans

Every Saturday noon, by Army tradition of long standing, the soldier gets baked beans in place of his meat ration—the beans being flavored with salt pork or bacon.

The soldier usually gets two meatless suppers per week, the meat ration being replaced at those two meals by some such dish as spaghetti and cheese.

The soldier gets a carefully balanced meal, and fruits, vegetables, and starches are served, of course, in proper proportion to balance the meat which is consumed.

PURCHASES . . .

Plant expansion contracts during February total \$125,483,649, according to OPM

Contract awards by the Army, Navy, and Maritime Commission for plant expansion, construction, and equipment during February totaled \$125,483,649, the Office of Production Management has announced. This brings the corrected figure for such announced awards since June 1, 1940, under the national defense program to a total of \$1,171,906,181.

This compilation covers plants in which the Government has participated in the financing, or which are to be amortized by Government payments over a 5-year period under cost-plus-fixed-fee contracts.

The list of February expansion contracts follows:

ALABAMA

Brecon Loading Co., Wilmington, Del., subsidiary of Coca-Cola Co., of Atlanta, Ga.; equipment for artillery ammunition bag-loading plant at Childersburg, Ala.; \$1,091,000 (War).

Reynolds Alloys Co., Sheffield, Ala., subsidiary of Reynolds Metals Co., Louisville, Ky.; construction of building and equipment for manufacture of aluminum sheet and structural aluminum shapes; \$9,801,211 (War).

CALIFORNIA

Moore Drydock Co., Oakland, Calif.; for expansion of shipbuilding facilities; \$4,000,000 (Navy).

COLORADO

Broderick and Gordon, Denver, Colo.; for construction of small arms ammunition plant at Denver, Colo., to be operated by Remington Arms Co., Inc.; \$13,206,390 (War).

ILLINOIS

W. F. & John Barnes Co., Rockford, Ill.; construction of plant and equipment for the manufacture of machine tools; \$500,000 (War).

Gunite Foundries Corporation, Rockford, Ill.; construction of plant and equipment for manufacture of machine tool castings; \$200,000 (War).

INDIANA

Curtiss Propeller Div.; Curtiss-Wright Corporation, Indianapolis, Ind.; additional machinery and equipment for manufacture of airplane propellers; \$7,099,650 (War).

Bridgeport Brass Co., Bridgeport, Conn.; construction of plant, machinery, and equipment at or near Indianapolis, Ind., for manufacture of cartridge cases; \$11,500,000 (War).

KENTUCKY

Reynolds Metal Co., Louisville, Ky.; additional plant facilities and equipment for the manufacture of aircraft and other military supplies; \$2,504,611 (War).

Atmospheric Nitrogen Corporation, New

York, N. Y., Affiliate of Allied Chemical and Dye Co. of New York; construction and equipment for anhydrous ammonia plant at West Henderson, Ky.; \$13,600,000 (War).

MARYLAND

Bethlehem-Fairfield Shipyard, Inc., Baltimore, Md.; for construction of 13 ways and other shipbuilding facilities for construction of part of the 200 merchant ships under the emergency shipbuilding program. (Five other contracts have been let for 32 ways and other facilities to cost \$20,695,500); \$7,838,000 (Maritime Commission).

MICHIGAN

Murray Corporation of America, Detroit, Mich.; machinery and equipment for manufacture of airplane wing assemblies for Douglas Aircraft, Inc.; \$1,952,474 (War).

N. A. Woodworth Co., Ferndale, Mich.; land, buildings, machinery, and equipment for manufacture of engine parts for Wright Aeronautical Corporation; \$738,944 (War).

Graham-Paige Motors Corporation, Dearborn, Mich.; machinery and equipment for manufacture of connecting rods for Wright Aeronautical Corporation; \$1,803,280 (War).

Hudson Motor Car Co., Detroit, Mich.; machinery and equipment for manufacture of engine parts for Wright Aeronautical Corporation; \$939,313 (War).

Briggs Manufacturing Co., Detroit, Mich.; for increased machinery and equipment in present buildings; for the manufacture of outer-wing assemblies for the Douglas Aircraft Corporation; \$288,100 (War).

Aeronautical Products Corporation, Detroit, Mich.; for construction of plant addition, machinery and equipment for manufacture of precision aircraft parts for landing gears, engines, and carburetors; \$495,880 (War).

Vickers, Inc., Detroit, Mich., subsidiary of Sperry Gyroscope Co., Brooklyn, N. Y.; construction of a building, and equipment for manufacture of hydraulic controls, and other products for the aircraft industry; \$895,000 (War).

MISSOURI

McDonnell Aircraft Corporation, St. Louis, Mo.; construction of a building and equipment for manufacture of tail surfaces and other airplane parts; \$496,717 (War).

NEBRASKA

Three contractors: Peter Kiewit Sons Co., Omaha, Nebr., George W. Condon Co., Omaha, Nebr., Woods Bros. Construction Co., Lincoln, Nebr.; for construction of completely integrated aircraft manufacturing and assembly plant and air field at Fort Crook, Omaha, Nebr. (initial contract—\$8,078,000; total estimated cost—\$10,300,000); \$8,078,000 (War).

NEW JERSEY

Curtiss Propeller Div., Curtiss-Wright Corporation, Caldwell, N. J.; additional machinery and equipment for manufacture of airplane propellers; \$1,769,600 (War).

Quimby Pump Co., Inc., Newark, N. J.; for expansion of facilities for production of

items for use in shipbuilding; \$134,000 (War). Items for use in shipbuilding; \$134,000 (Navy).

De Laval Steam Turbine Co. Trenton, N. J.; for expansion of facilities for production of items for use in shipbuilding; \$350,000 (Navy).

Worthington Pump and Machinery Corporation, Harrison, N. J. Plant; for expansion of facilities for production of items for use in shipbuilding; \$600,000 (Navy).

NEW YORK

Sperry-Gyroscope Co., Brooklyn, N. Y.; machinery and equipment for the manufacture of technical instruments; \$3,025,000 (War).

Henry B. Nevins, City Island, N. Y.; for expansion of shipbuilding facilities; \$100,000 (Navy).

Worthington Pump and Machinery Corporation, Buffalo, N. Y. plant; for expansion of facilities for production of items for use in shipbuilding; \$325,000 (Navy).

Worthington Pump and Machinery Corporation, Wellsville, N. Y., plant; for expansion of facilities for production of items for use in shipbuilding; \$100,000 (Navy).

Consolidated Machine and Tool Corporation, Rochester, N. Y.; for expansion of facilities for production of items for use in shipbuilding; \$490,000 (Navy).

Sterling Engine Co., Buffalo, N. Y.; for expansion of facilities for production of items for use in shipbuilding; \$450,000 (Navy).

Kollmorgan Optical Co., Brooklyn, N. Y.; for expansion of facilities for production of items for use in shipbuilding; \$307,000 (Navy).

OHIO

Thompson Aircraft Products Co., subsidiary of Thompson Products, Inc., Cleveland, Ohio; land, buildings, machinery, and equipment for a plant for the manufacture of aircraft parts, and aircraft engine parts; \$11,198,472 (War).

The Eaton Mfg. Co., Cleveland, Ohio; machinery and equipment for the manufacture of propeller parts for the Wright Aeronautical Corporation; \$854,335 (War).

Atlas Powder Co., Wilmington, Del.; for increased facilities at shell loading plant at Ravenna, Ohio; \$1,934,000 (War).

American Tool Works Co., Cincinnati, Ohio; for expansion of facilities for production of items for use in shipbuilding; \$740,572 (Navy).

Monarch Machine Tool Co., Sidney, Ohio; for expansion of facilities for production of items for use in shipbuilding; \$500,000 (Navy).

PENNSYLVANIA

Curtiss Propeller Div., Curtiss-Wright Corporation, Beaver, Pa.; for the construction of building, including machinery and equipment, at Beaver, Pa., for the manufacture of airplane propellers; \$5,221,100 (War).

Chambersburg Engineering Co., Chambersburg, Pa.; for expansion of facilities for production of items for use in shipbuilding; \$661,000 (Navy).

Birdsboro Steel Foundry Machine Co., Birdsboro, Pa.; for expansion of facilities for production of items for use in shipbuilding; \$600,000 (Navy).

Brewster Aeronautical Corporation, Johnsville, Pa.; for construction, machinery, and equipment of a plant at or near Johnsville, Pa. (maximum amount); \$2,000,000 (Navy).

WASHINGTON

Lake Washington Shipyards, Houghton, Wash.; for expansion of shipbuilding facilities; \$700,000 (Navy).

WEST VIRGINIA

General Machinery Ordnance Corporation; for rehabilitation and equipment of parts of United States Naval Ordnance plant, So. Charleston, W. Va., for machining ordnance equipment (maximum amount); \$1,645,000 (Navy).

WISCONSIN

American Brass Co., Waterbury, Conn.; construction of plant, machinery, and equipment at Kenosha, Wis., for manufacture of ammunition brass and ammunition cups; \$4,750,000 (War).

★ ★ ★

Businessmen will have advance information on minimum-wage determinations

A businessman preparing to bid on a Government contract will now know in advance whether there may be a change in the legal minimum wage of his industry by Government action, and will know just when the change, if made, will go into effect, it was announced March 11 by Donald M. Nelson, Director, Division of Purchases, Office of Production Management.

This was worked out at a conference of officials of the Wage and Hour Division and the Division of Public Contracts, Department of Labor, with officers of the Quartermaster Corps and the Division of Purchases.

The machinery for setting industry minimum-wage rates under the Fair Labor Standards Act, and for finding prevailing minimums under the Walsh-Healey Act, will remain unchanged.

In the future, however, dates on which wage determinations will go into effect will be set after consultation on the part of Labor Department officials with officials of the Division of Purchases.

★ ★ ★

Appointment of purchases adviser for bakery products

Appointment of Tom Smith of Chicago, secretary of the American Bakers Association, as special adviser on the procurement of bakery products was announced March 13 by Donald M. Nelson, Director, Division of Purchases, Office of Production Management.

Under Howard B. Cunningham, head of the Division's Subsistence Branch, Mr. Smith will advise and assist the Quartermaster Corps in working out methods to supply the new Army with bread and bakery products.

Compilation of defense contracts cleared and awarded, March 6 through March 12

Defense contracts totaling \$106,224,332 were awarded by the Army and Navy and cleared by the Division of Purchases, Office of Production Management, during the period March 6 to March 12, inclusive.

This compares with \$49,533,693 for the previous week and \$54,887,403 for the week ended February 26. Contracts amounting to \$500,000 or more are cleared by the Division of Purchases of the Office of Production Management.

Cleared contracts awarded by the War Department during the latest period totaled \$94,230,652, and by the Navy Department, \$1,993,680.

ORDNANCE

War Department

Allis-Chalmers Mfg. Co., La Porte, Ind.; artillery matériel; \$5,120,229.

International Harvester Co., Chicago, Ill.; adapters and parts; \$932,400.

Worthington Pump & Machinery Corporation, Holyoke, Mass.; artillery matériel; \$4,718,400.

York Safe & Lock Co., York, Pa.; artillery matériel; \$2,969,476.35.

Hobart Bros. Co., Troy, N. Y.; generating units; \$2,491,320.

Atlas Powder Co., Chattanooga Plant, Ooltewah, Tenn.; spotting charges; \$823,362.50. Bossert Co., Utica, N. Y.; cartridge cases; \$1,290,000.

Norris Stamping & Mfg. Co., Los Angeles, Calif.; cartridge cases; \$690,000.

Rheem Mfg. Co., Chicago, Ill.; bodies, bomb practice; \$3,051,657.

Bohn Aluminum & Brass Corporation, Detroit, Mich.; artillery ammunition components; \$566,950.

CONSTRUCTION

War Department

T. W. Cunningham, Inc., Winchester, Mass.; housing and facilities at air base at Bangor, Maine; \$1,011,709.

J. A. Jones Construction Co., Charlotte, N. C.; troop housing facilities at Fort Jackson, S. C.; \$3,924,607.31.

Hunkin-Conkey Construction Co., Cleveland, Ohio, for construction; and Jennings & Lawrence Co., of Columbus, Ohio; for architectural and engineering services for Ravenna Ammunition Storage Depot, at Ravenna, Ohio; \$4,039,675.

Two contractors: Sullivan, Long & Hagerty, Bessemer, Ala., and Algernon Blair, Montgomery, Ala.; for construction of bag-loading plant at Childersburg, Ala., and Wiedman & Singleton, of Atlanta, Ga., architectural and engineering services; \$9,436,816.

Two contractors: Manhattan Construction Co., of Muskogee, and Long Construction Co., at Tulsa, Okla.; for construction of heavy bomber assembly plant at Tulsa, for which Consolidated Aircraft Corporation, of San Diego, Calif., will furnish consultant services, and Austin Co., of Cleveland, Ohio, architectural and engineering services; \$10,476,400.

Austin Co. of Cleveland, Ohio; for construction of heavy bomber assembly plant at Fort Worth, Tex.; for which Consolidated Aircraft Corporation of San Diego, Calif., will furnish consultant services; \$10,511,400.

Three contractors: G. L. Tarleton and McDonald Construction Co., of St. Louis, Mo., and S. Patti Construction Co., Kansas City, Mo.; for construction of medium bomber assembly plant at Kansas City, Kans.; the North American Aviation, Inc., of Inglewood, Calif., will furnish consultant, architectural, and engineering services, and operate the plant; \$3,706,494.

W. F. & John Barnes Co., Rockford, Ill.; construction of a plant and equipment for the manufacture of machine tools; \$500,000.

Gillmore-Carmichael-Olson Co., of Cleveland, Ohio; architectural and engineering services and construction of Government-owned gas mask charcoal plant at Fostoria, Ohio, to be operated by National Carbon Co., Fostoria; \$957,000.

Atmospheric Nitrogen Co., New York, N. Y.; operation, design, engineering, construction equipping, and the equipment itself; \$15,484,195.

Reynolds Alloys Co., Sheffield, Ala.; construction of building and equipment for manufacture of aluminum sheet and structural aluminum shapes; \$9,801,211.

Navy

Brewster Aeronautical Corporation, Johnsville, Pa.; construction of plant at or near Johnsville, Pa.; \$2,000,000.

Moore Drydock Co., Oakland, Calif.; expansion of shipbuilding facilities; \$4,000,000.

Radich & Brown, Burhank, Calif.; roads and services at Naval Supply Depot, Oakland, Calif.; \$796,000.

EQUIPMENT AND SUPPLIES

War Department

Harley-Davidson, Milwaukee, Wis.; motorcycles; \$870,360.

Indian Motorcycle, Springfield, Mass.; motorcycles; \$857,000.

Navy

Pennsylvania Forge Corporation, Philadelphia, Pa.; acquisition and installation in contractor's plant at Tacony of additional equipment and facilities to enable the contractor to produce heavy and other forgings; \$2,500,000.

Reid Avery Co., Dundalk, Baltimore, Md.; electrodes, welding; \$618,110.

Westinghouse Electric & Manufacturing Co., Washington, D. C.; blowers, main forced draft; \$2,079,570.

★ ★ ★

NEW BAG-LOADING PLANT

The War Department announced March 10 the award of a contract to Sullivan, Long & Hagerty, Bessemer, Ala., and Algernon Blair, Montgomery, Ala., for the construction of a bag-loading plant at Childersburg, Ala., to be designated the "Coosa River Ordnance Plant."

Wiedman & Singleton of Atlanta have been awarded the contract for architectural and engineering services in connection with the construction of this plant, which it is estimated will cost \$9,436,816.

As announced by the War Department on February 20, 1941, this plant, upon completion, will be operated by the Brecon Loading Co., a subsidiary of the Coca Cola Co., which also will furnish management and consultant services during construction.

STATE AND LOCAL COOPERATION . . .

Delaware defense council act signed; powers and duties outlined

The Delaware Council of Defense Act, which provides for a State council, and authorizes local and district councils if such are deemed expedient by the State body, was signed by Gov. Walter W. Bacon on February 26, Senate bill No. 12, 1941, regular session. A defense council serving in an advisory capacity to the Governor has been functioning in the State since last October.

Other States in which provision has been made for defense councils by action of the 1941 legislatures are Iowa, Nebraska, New York, and Wyoming (DEFENSE, March 11).

Under the Delaware act, the State council consists of the Governor (ex officio chairman) and 6 or more persons, but not exceeding 15, appointed by the Governor and serving at his pleasure. The Governor is required to designate one of the council members to serve as vice chairman. Members are to be selected "without reference to political affiliation and with reference to their special knowledge of industry, agriculture, consumer protection, labor, education, health, welfare, or other subjects related to national or State defense."

Powers and duties

Like other State defense councils established by law, the Delaware body has power to supervise studies and investigations in these various fields and others relating to national defense, including civil liberties and the protection thereof, maintenance of law and order, and measures to guard against sabotage and subversive activities. The council is specifically given authority also with respect to civil defense, including police mobilization, coordination of fire protection, and disaster relief.

The Delaware act authorizes cooperation with defense agencies of the Federal Government and of other States, and with local defense councils. The State council must utilize so far as possible the facilities and services of established State and local agencies.

Investigatory powers of the council include authority to make full investigation as to all questions relating to the powers or duties of the council. The council can

subpoena witnesses, require their attendance and testimony, and compel the producing of account books, files, and all documents relative to any investigation or matter which it has under consideration. Refusal to obey or comply with an order of the State council is declared a misdemeanor.

Local and district councils

If deemed expedient, the State council may authorize political subdivisions to establish a local defense council by proclamation of the executive officer or governing body thereof. Local councils would have powers within their jurisdictions similar to those of the State council. It is specifically provided in the law that local councils shall terminate or cease activity whenever the State council is dissolved or suspended.

District defense councils can be set up by the State council, in cooperation with local councils, for critical areas of especial importance to defense activities. District councils would act as coordinating agencies.

Under the Delaware act, annual appropriations are authorized for work of the council.

★ ★ ★

Defense council membership for Mississippi and Nebraska

Mr. Lee Robinson, chairman of the Mississippi State Council of Defense, and mayor of Centreville, has reported to the Division of State and Local Cooperation the full membership of the State defense council.

The council consists of 49 members. An executive committee has been named. The legal adviser and the public relations director of the State selective service system have been designated to serve in their respective capacities for the newly appointed council.

Mr. Mundel Bush, director of the Mississippi Board of Development, has been designated coordinator of the council and Mr. Heber Ladner has been named associate coordinator.

Nebraska

Governor Dwight Griswold, ex-officio chairman of the Nebraska Advisory Defense Committee, reports that the organization meeting of the committee was held on February 24. The act authorizing the committee was signed by the Governor on February 15 (DEFENSE, March 11).

The committee has 23 members and is organized along functional lines. Mr. Wade R. Martin, State director of banking, has been named executive vice-chairman, and Mr. R. F. Weller, assistant director of the State Motor Vehicle Division, has been named executive secretary.

A local defense council has been appointed by Mayor Dan Butler of Omaha.

★ ★ ★

"United States giving attention to domestic production of drugs and chemicals,"

Mr. McNutt says

Through the cooperative efforts of the Government and the drug and chemical industry, the United States now has in storage a 3-year supply of opium and a supply of quinine which under normal circumstances would last 3 years, or, if an epidemic should strike, 2 years, Federal Security Administrator Paul V. McNutt stated March 13. Mr. McNutt addressed the Drug, Chemical, and Allied Trades Section, New York Board of Trade.

Not only for the benefit of the continental United States but to aid South American neighbors in their public health work, attention should be given to the domestic production of drug supplies, Mr. McNutt said. Progress is being made toward the production in South America of cinchona bark, from which quinine is made. In addition, Government and private specialists are working on the development of synthetic drugs to replace quinine and morphine. The refugee colony in the Dominican Republic is cultivating the castor bean, from which castor oil is made.

Mr. McNutt suggested that thought be given to such products as the mahuang plant, which comes from the Orient, and to digitalis, which product can be grown in several sections of the United States.

Contract awards, plant expansions, employment gains—discussed by Mr. Knudsen

William S. Knudsen, Director General of the Office of Production Management, on March 13 reviewed certain aspects of the defense program at an informal staff meeting of the Production Division.

Mr. Knudsen told members of the Division that the total value of major defense contracts awarded by the War and Navy Departments from June 1, 1940, through January 31, 1941, was \$12,575,-869,000.

Since that time, the United States and British Governments, either directly or through tax-depreciation provisions, have been instrumental in plant expansions involving 784 plants having an estimated total cost of \$2,138,000,000. Of these, the United States Government, through the War and Navy Departments, the Reconstruction Finance Corporation, and the Defense Plant Corporation, have awarded contracts or issued letters of intent for the construction or expansion of 302 plants at an estimated cost of \$1,574,-000,000 up to March 1, 1941. The British Government has financed expansion of 61 plants in the amount of \$171,000,000. Certificates of Necessity, which entitle owners of plant facilities to an accelerated rate of depreciation for tax purposes on plants required for the national defense program, have been approved for the expansion of 421 plants at an estimated cost of \$393,000,000. The latter plants are privately financed.

Types of production variable

Speaking of the prospects for early production of defense equipment, Mr. Knudsen declared that "things will begin to roll" within the next 3 or 4 months. He pointed out, however, that progress in the production of different types of equipment varies according to decisions reached by the military authorities as to the type of equipment on which greatest effort should be concentrated. The relative importance of various items of defense equipment, Mr. Knudsen stated, is determined by the War and Navy Departments, and their decisions effectuated by the use of priorities.

A priority rating given to a certain item, Mr. Knudsen explained, is carried through to the various pieces of equipment. For instance, delivery of guns and instruments for airplanes must be made in time to meet production schedules for

the completed planes. Also, in the case of ships, the production of propulsion machinery and auxiliaries must be timed with the construction of the completed vessel. "The problem for the Office of Production Management," Mr. Knudsen stated, "is to be able to allocate equipment for all kinds of material so as to cause the least possible delay to the entire program."

Revision of production schedules may take place from time to time according to decisions of the War and Navy Departments as to the type of military machine best fitted to current defense requirements, Mr. Knudsen stated. "It is our job," he said, "to get everything the Army and Navy wants when they want it and if that cannot be done to get them what they want in the order of its importance."

Employment gains

Turning to the question of employment gains as a result of the national defense program, Mr. Knudsen pointed out that between May 1940—immediately prior to the formation of the National Defense Advisory Commission—and January 1941, there has been an increase of 1,445,000 persons working in nonagricultural industries. The increase from January 1940 to January 1941, was 1,868,000 employees. In manufacturing industries alone there has been an increase of 968,000 persons from May to January. Most of this increase has been in the durable goods industries in which employment has increased by 721,000 persons, or 19 percent.

★ ★ ★

Appointments in steel unit, production division

The following four additions to the staff of the steel unit in the Production Division of the Office of Production Management were announced March 17:

George F. Hocker, of Bethlehem, Pa., who will deal with heavy forgings and castings, has been manager of heavy forgings and castings sales for the Bethlehem Steel Co.

Arthur A. Wagner, of Pittsburgh, who will deal with structural material, plates, and special steels, has been in charge of

sales of plates and structural material for the Jones & Laughlin Steel Corporation.

Arthur J. O'Leary, of Coatesville, Pa., who will assist in expediting urgently needed steel deliveries, has been assistant to the manager of steel-plate sales for the Lukens Steel Co.

James G. West, of Pittsburgh, formerly in charge of blast furnaces for the Jones & Laughlin Steel Corporation. Mr. West will visit closed blast furnaces in various parts of the country to determine whether they might be rehabilitated to increase pig-iron production. A number of old and obsolete furnaces are now closed down.

Mr. Hocker, Mr. Wagner, and Mr. O'Leary have arranged with their respective companies for leaves of absence to assist the Production Division.

★ ★ ★

Program to stimulate trade among American Republics moves forward

Nelson A. Rockefeller, Coordinator of Commercial and Cultural Relations between the American Republics, announced on March 13 the membership of the Paraguayan National Council, the fourth of 21 councils being established by the Inter-American Development Commission in its program for the stimulation of trade among the American Republics. Mr. Rockefeller is chairman of the Development Commission.

The Paraguayan Council is headed by Oscar Perez Uribe, president of the Centro de Importadores, and a Paraguayan businessman. The other members include:

Ladislao Z. Vaccaro, vice chairman. Senor Vaccaro is president of the Union Industrial Paraguaya and a member of the board of the Banco Agricola.

Emigdio Arza, president of the Asociacion Rural Paraguaya.

Manuel Ferreira, a Paraguayan merchant.

Francisco Ferrario, of the exporting firm of Ferrario & Co.

Julio J. Bajac, secretary of the Council. He is director of Comercio Internacional del Ministerio de Relaciones Exteriores.

Similar councils composed of outstanding business, professional, and technical men have been formed in Brazil, Argentina, and Uruguay.

PRICE STABILIZATION . . .

Steps to improve conditions in primary and secondary zinc markets, announced by Commissioner Henderson

Two important steps to improve price and supply conditions in primary and secondary zinc markets were announced March 11 by Commissioner Leon Henderson of the Price Stabilization Division.

They were:

1. Announcement that, at Mr. Henderson's request, each company producing and selling primary slab zinc has pledged that during the emergency it will sell only direct to consumers or processors. This means that no new sales will be made on the Commodities Exchange and that no more primary zinc will be available for speculation.

2. A committee representing the various branches of the secondary zinc markets met with the Division on Tuesday, March 11, to advise on formulation of a concrete plan to bring prices of secondary zinc materials and products into line with the prices of the primary metal based on 7.25 cents per pound for Prime Western zinc at East St. Louis.

Secondary brass and copper

At the same time, Mr. Henderson said that he is issuing warnings to the secondary brass and copper markets, which have recently shown signs of following the same course leading to unjustified price increases that demoralized the secondary aluminum and zinc markets. He expressed the hope that secondary brass and copper dealers and processors "will learn from the unhappy examples of zinc and aluminum and consequently will maintain order and stability."

Primary zinc sales restricted during emergency

In the last few months, Mr. Henderson pointed out, producers of primary zinc have in large measure sold their product at a stable price under demand conditions which would have permitted a rising price. The price of 7.25 cents per pound, which has prevailed since last September, has been adequate to insure capacity output of primary smelters.

"This price," said Mr. Henderson, "appears to be adequate for the foreseeable future.

"However, small amounts of zinc have been offered at premiums by metal brokers and others, and the effects of the speculative resale prices and of the high Exchange prices on the scrap and secondary markets have been unfortunate. Although reports from the Exchange to the Defense Commission indicate that producers have not sold metal on the Exchange in the past 6 weeks, there has been a widespread belief that they were doing so. Because of this, and because some metal was being sold at speculative prices by middlemen, each company producing and selling primary metal has been requested by me to pledge that henceforth during the emergency it will sell only to processors and will not sell on the Commodities Exchange.

"Exceptions have been made in the case of sales on the Exchange incident to closing out a net long position, sales to Governments, sales to dealers for lawful export, and sales through an agent receiving a commission. Sales to regular retailers who distribute in less than carload lots are not prohibited, provided the selling company furnishes the names of the retailers."

Zinc scrap prices condemned

Mr. Henderson condemned rising zinc scrap prices, which have impaired the efforts of some producers of secondary slab zinc to adhere to the price of the primary metal. He added:

"Scrap dealers whose prices have skyrocketed, consumers who have begged for metal at any price, and those producers of secondary zinc products who have bid high prices for scrap, have not adequately recognized their responsibilities in the national emergency.

"Rising prices in the secondary zinc markets do not appreciably increase the supply. On the contrary, they encourage speculative hoarding. In order to restore stable prices and assure maximum

flow of secondary materials to processors, the price of secondary zinc must be reduced to the 7.25 cents per pound base price of the primary metal, and prices of secondary zinc materials must be brought into line with this base."

Mr. Henderson revealed that measures are now being considered to insure the sale at regular prices of zinc now held by speculators.

"In the present emergency there is no justification for speculative premiums," he said. "This was recognized in the recent action of the Commodities Exchange—following my request to the producers—whereby the opening of new positions in zinc on the Exchange has been prohibited."

★ ★ ★

Maximum prices for scrap iron and steel will be established

A warning that a schedule of maximum prices for scrap iron and steel will presently be established at a rate below prices current in the scrap metal market was issued March 7 by Leon Henderson, commissioner of price stabilization, National Defense Advisory Commission.

In response to inquiries from the Pacific coast and other regions, the following statement was issued by Mr. Henderson:

"A set of geographical and grade differentials has been submitted to all interested divisions of the industry, including foundries, scrap dealers, and steel manufacturers, for criticism and discussion.

"After the Division has given due consideration to all of these criticisms and suggestions, there is no doubt that a schedule of maximum prices on grades at various points in the United States, including the Pacific coast, will be established. All of these prices will be below \$20 a ton, Pittsburgh."

★ ★ ★

Cold storage for Alaska

The War Department announced February 21 that the Army is constructing cold storage facilities costing \$270,000 at Elmendorf Field, Anchorage, Alaska, to refrigerate enough perishable foods to last 6,000 soldiers about 6 weeks.

TRANSPORTATION . . .

Army personnel traffic for February— high efficiency record for 1940

The Military Transportation Section of the Association of American Railroads reports that during the month of February the railroads handled personnel of the Army, Navy, Marine Corps, and the Civilian Conservation Corps, as follows:

	No. of routings	Handled on regular trains	Handled on special trains	No. of special trains
Army.....	590	9,549	134,755	438
Navy.....	69	2,013	2,294	16
Marines.....	20	598	112	1
CCC.....	6	-----	1,855	6
Total.....	685	12,160	139,016	461
Grand total.....	-----	-----	-----	151,176

In addition to the 9,549 Army personnel handled on regular trains, there were 81,562 selectees handled from induction stations to reception centers on regular trains not covered by main numbers, making a total handled for the month of February of 232,738 men.

Railroad carloadings for the first 9 weeks of 1941 totaled 6,320,953 cars as compared to 5,681,250 cars during the corresponding period of 1940, and 5,166,020 cars during the corresponding period of 1939. 1941 represents an increase of 11.3 percent over 1940 and 22.0 percent over 1939. Principal increases have been recorded in movement of coke, forest products, ore, and miscellaneous, with grain, grain products and livestock showing decreases and coal shipments running approximately the same as in 1940.

Railroads set new records

New high records in operating efficiency were attained by the railroads in 1940, according to complete reports for that year, the Association of American Railroads has announced.

The outstanding feature in railroad performance was the increase in the amount of freight that was carried per train, the average in 1940 having been 849 tons compared with 813 tons in 1939, and 804 tons in 1929—the year of heaviest traffic in the history of the railroads.

Freight train performance in 1940 was approximately twice that of 20 years ago. That is, gross ton-miles per train hour

increased from 16,555 in 1921 to 33,808 in 1940, or 104 percent, while net ton-miles per freight train hour increased from 7,506 in 1921 to 14,027 in 1940, or 87 percent. These are new high records in both instances.

Freight locomotives in 1940 operated a daily average of 107.2 miles, which also was a new high record. The average daily movement of all freight cars, which includes those being loaded and unloaded, was 38.7 miles in 1940, which also was a new high record. Net ton-miles per freight-car-per-day was 661 ton-miles, also a new record. The previous record was established in 1937 with an average of 625 ton-miles per day.

Fuel performance

Fuel efficiency in freight service was never better than in 1940. Despite the increased weight per train and the increase that has taken place in recent years in the average speed of trains, the railroads in 1940 averaged 112 pounds of fuel for the movement one mile of 1,000 tons of freight and equipment. For each pound of fuel used in freight service in 1940, the railroads hauled 8 $\frac{1}{10}$ tons of freight and equipment one mile compared with 6 $\frac{1}{2}$ tons in 1921, or an increase of 44 percent.

Railroads in 1940 had an average of 144,249 unserviceable freight cars, the lowest number in need of repair on record. This was 7.9 percent of ownership. Since then, the number has been further reduced with the result that on February 1 this year there were only 107,596 unserviceable cars, or 6.7 percent of ownership.

★ ★ ★

FEBRUARY PLANE PRODUCTION

The Office of Production Management announced today that during February, 972 airplanes were delivered by United States manufacturers to the Army, Navy, British, other Governments and commercial airlines. 879 were delivered to the Army, Navy, and the British.

Trucking companies establish new service to facilitate handling of Government traffic

The American Trucking Associations, Inc., has established what is known as the "Traffic Service Department" to assist motortruck operators, in their dealings with Government agencies, concerning the handling of Government traffic.

The new Department will function for truck operators as follows:

1. Maintain daily contact with officials of the War, Navy, Procurement, and other leading Government departments in the interest of the trucking industry. The contact man will represent all subscribers to the service and will not solicit Government transportation on behalf of any individual carrier.

2. Furnish to its members a report on Government contracts, listed by States—the name and location of the company receiving the award, the commodities covered by the contract, and the amount of the award.

3. Procure motor carrier tariffs for Government departments and maintain a file so as to have available any tariff information required.

4. Compile complete information on delivery time, insurance, and number, type, and capacity of equipment of all motor carriers, with maps and descriptions of territories served and connecting line arrangements.

5. Act as Washington representative, within reasonable limits, on Government traffic which carriers actually have.

★ ★ ★

Social protections essential to total defense, says Paul V. McNutt

An investment in social welfare will give at least as good returns as the money being spent on guns, ships, and airplanes, Federal Security Administrator Paul V. McNutt stated in an address, March 13, to a General Foods Corporation meeting.

"If anyone still doubts that social protections are essential to total defense, let him look at the experience of the Nations now at war," he suggested.

AGRICULTURE . . .

Commissioner Davis warns of possible handicap to defense program by regional concentration of defense awards

The time has come for southern people to join together and start on the hard route to industrialization, Chester C. Davis, agricultural commissioner of the National Defense Advisory Commission, told the Conference of Southern Governors meeting at New Orleans, La., March 15.

"Within recent months the TVA and TVA power have brought an aluminum industry, an ammonia industry, and the manufacture of explosives to Tennessee and Alabama," Mr. Davis said. "There would have been precious little defense industry in these States without TVA facilities. The development of the Tennessee Valley was largely the product of southern initiative and imagination. It should be an object lesson to the South in what a genuine industrial development requires."

Southern resources neglected

Commissioner Davis said that the South must make most vigorous and positive efforts if its labor reserve and resources are to be recognized and put to industrial use.

He deplored the fact that in our defense effort up to date we have followed the same pattern of regional concentration that was followed in 1917 and 1918, when we handicapped our effort by shortages of labor and transport and left an aftermath of overbuilt and overconcentrated industry.

Commissioner Davis said: "Between June 1, 1940, and January 31, 1941, some 7½ billions of dollars of defense contracts were let. These exclude contracts for ship construction and supplies, where obviously the seaboard States must dominate the picture. Of this total, only slightly over a half billion, or approximately 7 percent, have been placed in the 11 States of Alabama, Georgia, North Carolina, South Carolina, Oklahoma, Florida, Arkansas, Tennessee, Mississippi, Louisiana, and Texas. This 7 percent of the total compares with a value of manu-

factures in 1937 in these States of slightly over 11 percent of the national total.

"These figures are for defense contracts. Up to March 1, plans have been completed for the construction of some 302 new plants and facilities for defense production. Of these, only 24, valued at \$166,271,860, have been located in these 11 States, as compared with 302, at a cost of \$1,574,523,000, in the rest of the country. These were the new facilities and plants where I had hoped we would have a special freedom of choice in finding favorable locations in accordance with the broad pattern of decentralization."

Distribution of defense awards to industry

Defense contracts are being absorbed by a small handful of concerns, and the very smallness of the number threatens to be a serious bottleneck in the full use of our industrial and human resources, according to Mr. Davis.

"I was interested and somewhat shocked a few days ago to see a tabulation of the distribution of defense orders to date, not as between areas but between industrial concerns," he said. "Included in this tabulation were 11½ billions of prime contracts awarded between June 13, 1940, and February 15, 1941. This tabulation includes all types of contracts. Of this vast total between one-fifth and one-quarter had gone to two groups of companies of closely interconnected groups. And a total of 80 percent has gone to 62 companies or interrelated groups of companies. There is rich food for thought in these figures and I believe they are closely related to the mediocre success we have had in apportioning a part of this new defense industry to the States in this conference."

Diversified agriculture—and industry for South

Dealing with the cotton problem, Mr. Davis said that the South is going to con-

tinue to grow cotton and supply the world with part of its needs.

"In both the immediate and indefinite future the South will be living with its great staple crop. It follows that cotton prices must provide a supportable return to those who produce it. We must continue with those measures which will make cotton growing remunerative, particularly in those areas and for those people with no ready alternative."

Commissioner Davis called on the South to give close attention to expanding its food resources in seeking diversification of the agricultural economy, but suggested that it remember that a diversified economy is one which combines both agriculture and industry.

★ ★ ★

Agricultural reaction to dwindling export markets, priorities program, and meat purchases from South America, outlined to farm group

Shock of the present loss of export markets has been so well cushioned by Government loans and payments that there is danger that changing conditions will not be observed by farmers, Samuel H. Sabin, executive assistant, Agricultural Division of the National Defense Advisory Commission, said in an address before the Western Farm Bureau, at Salt Lake City, Utah, last March 13.

Offset for declining exports

"Our great export crops, such as cotton, tobacco, dried fruit, and grain, face a difficult period in the immediate future and a much more difficult adjustment period in meeting post-war conditions," Mr. Sabin said. "Consideration is now being given to legislation which would increase and extend the commodity-loan system until the farmer more nearly attains parity. This is eminently proper since the burden of such losses should be shared by society as a whole and not left for farmers alone to bear. However, we should remember that extension of the commodity-loan system imposes further responsibilities on agriculture to make the necessary adjustments in sup-

ply which will permit the plan to continue on a workable basis."

Increasing demand for certain farm products

Mr. Sabin said that it appears unlikely that any shortages could occur in the principal farm crops. However, with increased industrial activity, demands are increasing for meat, dairy products, fresh fruit and vegetables, and a consequent lessening of supply has been observed.

Wheat and corn

Touching on the immediate and long-term situation confronting the grain grower, Mr. Sabin said that ultimately a decision must be made as to whether or not the United States will stay on an export basis for grain or go solely on a domestic basis. He warned that in view of the Canadian wheat supplies there was little possibility of any export of wheat to Europe until the war is over. He pointed out that the corn situation might be aided by substantial shipments to Britain under the lease-lend bill. With regard to sugar, Mr. Sabin said that the quota system can serve to protect the producer from violent fluctuations.

Although the issuance of mandatory priorities and the allocating or rationing of many materials needed for defense industries may cause temporary shortages in farm equipment, it is believed that agriculture will not really suffer once the system is fully worked out, Mr. Sabin stated.

Meat products from South America

Mr. Sabin commended the recent action taken by the National Livestock Producers Association in endorsing the purchase by the Army and Navy of canned meat products from South America.

"It is only by acts of this nature that our governmental intentions can be turned into beneficial actions. We cannot have political friends and economic foes. Such a program cannot be imposed entirely by the Government but will succeed only if the people as a whole have a neighborly interest in our South American friends."

Mr. Sabin warned that a victory by the Axis Powers would destroy the United Kingdom market for surplus American products and would result in intensified economic warfare against the interests of this country. He called on the Nation to strengthen its economic hemispheric position and to extend all possible aid to Britain.

Study of agricultural chemicals plays part in defense program

Commissioner Chester C. Davis, of the Agricultural Division, has made arrangements with Secretary of Agriculture Claude R. Wickard under which the personnel of the Bureau of Entomology and Plant Quarantine will be available to the Agricultural Chemical Section of the National Defense Commission in an advisory and consultative capacity.

Under the direction of Dr. Lee A. Strong, Chief, Bureau of Entomology and Plant Quarantine, the problem of the changing situation with respect to chemicals used for insecticides and fungicides is already being studied.

Technical and statistical information on the chemicals is being studied by Dr. R. C. Roark, Chief, Division of Insecticides and Fungicides.

Among the major questions under consideration are the type, quantity, and distribution of insecticides and fungicides; location of manufacturing plants; seasonal fluctuations in business; manufacturing practices; availability of raw materials; the price situation; and the possibility of switching from one type of insecticide to another in case of shortages in seasonal materials.

★ ★ ★

Fruits and vegetables for the Service and CCC

About 7,500,000 cases of canned vegetables and 3,250,000 cases of canned fruits will be needed from the 1941 pack to meet the requirements of the armed forces of the United States and the Civilian Conservation Corps, according to the Food Supply Section of the Agricultural Division.

★ ★ ★

ELDERLY RETURN TO WORK

Federal Security Administrator McNutt reports that 2,500 workers, 65 years of age and over, are returning to work each month because of the national defense program, and are requesting that their monthly old-age and survivors insurance benefit checks be suspended during their employment.

Plans for a 90-day test of Army field ration in place of garrison ration

The War Department announces that effective May 1, 1941, or before, if possible, posts, camps, and stations, with few exceptions, will be placed on the field ration system in place of the garrison ration system for a 90-day test.

Under the field ration system, book-keeping will be greatly simplified, better food and menus will be provided, and a 2-cent saving on each ration will permit purchase of fresh fruits and vegetables, special seasonings, pepper sauces, extracts, flavorings, etc., not otherwise possible.

The garrison ration is that prescribed in time of peace, and consists of 39 items of food considered necessary.

Under the garrison ration system, each Mess officer is allowed a money credit and buys food for his own organization. In a large camp there might be 50 or more Mess officers, and each one, ordering from a different menu, would make an impossible task for the post commissary through which they buy.

The field ration is prescribed for use in the time of emergency, and its components will be set by the War Department. Under the system the food itself is issued, and no money credit given. The components of the ration are as nearly like the garrison ration as possible.

During the 90-day test period, each corps area commander, through the corps area bakers' and cooks' school, will prepare a master menu for each post, camp, and station in the corps area. A proper balanced diet will be assured for all soldiers under the system.

To compensate for doing away with the money credit for each ration from which organizations have been able to build up a fund for the purchase of special items of food, an allowance of 2 cents per day per man will be allowed during the trial so such outside purchases may be made.

Based on a controlled menu, the field ration will allow uniform purchasing and mass procurement at a great saving, and still provide nutritionally balanced meals for all troops.

The field ration, like the garrison ration, is figured to supply 5,000 calories a day for each soldier.

PRIORITIES . . .

Builders of shipyard cranes given new form of limited blanket rating

To speed work in shipyards working on naval craft and other vital defense plants, nine builders of electric traveling cranes on March 12 were granted a general-preference order by the Priorities Division of the Office of Production Management. The order will help the crane builders to obtain prompt delivery of motors, switches, controllers, connections, finished or semifinished parts and accessories, and steel bar, plate, shapes, forgings, and castings.

Listed as General Preference Order No. P-1, the order is the first of a new form of limited blanket rating which permits the recipient to obtain preferential treatment on material specifically listed only.

E. R. Stettinius, Jr., director of priorities, said that this type of order will henceforth be rigidly restricted and will be granted only in special cases, when completion of contracts on delivery dates is not possible by other means. Such orders are not to be issued generally, and they are subject to revocation in case of abuse. A recipient of the order is required to agree in writing to its terms before it becomes effective for him.

When a recipient agrees to the terms of the present order, he may exercise a preference rating of A-1-c. This rating may be extended to subcontractors, but only for the items listed, by means of photostatic copies. All ratings issued March 12 expire on June 30. The new form of order contains exact specifications of the conditions for its application to orders for the material listed, and calls for the furnishing of information by the producer to whom it is granted.

Signed by Mr. Stettinius, the order says:

GENERAL PREFERENCE ORDER

FOR MATERIAL FOR THE PRODUCTION OF ELECTRIC TRAVELING CRANES

The following order is issued by the Director of Priorities in the interest of the National Defense and pursuant to authority vested in him by the Office of Production Management Regulation No. 3, dated March 7, 1941, Executive Order No. 8629, dated Jan-

uary 7, 1941, and Section 2 (a) of the Act of June 28, 1940 (Public, 671, 76th Congress, Third Session):

Preference rating A-1-c is hereby assigned in favor of each producer of the above-named products to whom a copy of this order is specifically addressed.

Such rating shall extend to material of the kinds listed on Exhibit A attached hereto for delivery under any contracts or orders placed by each such producer, and which enter directly into his products for delivery under contracts or orders for the Army or Navy or for Great Britain (hereinafter called "defense orders") provided that:

(1) The quantities of material covered by such extensions shall not be greater than necessary to fulfill such defense orders.

(2) The delivery dates for material covered by such extensions shall not be earlier than necessary to fulfill such defense orders on schedule.

(3) The material covered by each such extension cannot be secured in the quantities or on the delivery dates required except by invoking such preference rating.

(4) Each such extension shall be accompanied by identification of the particular defense orders which it is to fulfill.

(5) Such producer shall, so long as this order is in effect as to him:

(a) Furnish to the Priorities Division of the Office of Production Management at least 5 days before the end of each month, his schedule of deliveries of his products for the succeeding month.

(b) Make deliveries of his products or parts as directed by the Priorities Division of the Office of Production Management if any such direction shall be given.

(c) Maintain accurate records of all extensions of such preference ratings pursuant to this order, including the name and address of each contractor, and the kinds and quantities of material and dates of delivery thereof, covered by such preference rating extensions.

(d) Furnish to the Priorities Division of the Office of Production Management at any time and from time to time such information with respect to such extensions and with respect to any material carried in stock, as it may request; and submit to an audit and inspection by representatives of the Government with respect to such matters.

This order shall not become effective in favor of any particular producer, and no extension shall be valid, unless and until such producer shall have accepted the conditions hereinabove specified by executing his acceptance upon his duplicate copies of this order; by signature of a duly authorized officer, duly acknowledged, one such duplicate to be returned to the Priorities Division of the Office of Production Management.

Each extension of such preference rating by such producer shall be effected by delivery to the contractor of a photostatic copy of such producer's other duplicate copy of this order after it bears such executed acceptance.

This order may be terminated, and the assignment of such preference rating may be cancelled, by the Director of Priorities at any time as to all producers in whose favor it has become effective, or as to any one or more

of such producers, and any specific extensions may be likewise cancelled.

Unless sooner terminated, this order and the assignment of such preference rating, shall expire on June 30, 1941.

After any termination, cancellation, or expiration of this order and the assignment of such preference rating, all existing extensions unless specifically cancelled shall continue until fulfillment of the deliveries of material covered thereby, but no additional extensions shall thereafter be made in favor of any producer as to whom such termination, cancellation, or expiration is applicable.

★ ★ ★

Commercial airlines will continue to receive equipment necessary to maintain present efficient service

Commercial airlines will continue to receive motors, propellers, instruments, spare parts, and material required for maintenance of efficient air transport service, William S. Knudsen, Director General, Office of Production Management, said March 13.

Mr. Knudsen said:

Recently the question has arisen as to whether the military aircraft program might tend to lower the efficiency which has been and is characteristic of air line service in this country.

It is obvious, of course, that the military airplane program is of paramount importance in the national defense effort. But it is a matter of fundamental policy, determined when civilian aircraft priorities were established, that the air lines shall continue to receive delivery of the motors, propellers, instruments, spare parts, and material necessary for maintenance and overhauling operations.

As for airplanes, during the year 1940, the domestic air lines acquired new planes in a number sufficient to provide for obsolescence, replacements, and regular scheduled operations.

At the present time the air lines are at the highest state of efficiency, with the greatest carrying capacity in the history of air transportation in this country, which is now on a scale that has never been approached as to quality or coverage in any other country in the world.

The Office of Production Management, the military services, and all other interested departments of the Government are convinced of the necessity of maintaining the existing quality of air transportation.

Of the air line pilots and copilots in this country, many of whom are Military Reservists, less than 3 percent of the pilots or captains, and less than 8 percent of the copilots or first officers, have been called for military service, and trained replacements have been available for every man transferred from civil to military service.