OVERALL REPORT COVERING OUTOBER 1942

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Coal consumption of industry supporting the war effort has risen by 10 per cent ever last year (250,000 tons.) Conservation measure regulations have not moulted in savings of coal or gas. The reported figure of 505 establishments included a number of idle plants. Because of coal shortage, the extra coal supply needed by armament plants to go on a 54 hour week, cannot be supplied. The directive of a 54 hour week would thus result in further shut downs of non-armament plants.

Power wardens have been installed in plants. In contrast to power engineers, they are recruited from among workers and are coharged with supervising most industrial power consumption.

In general, all armament orders were delivered on schedule. Delay in production of large L-boats resulted from slow supply of sheet motal and sectional steel. Construction of assault boats is held up because of lack of scheduled wood shipments. Production of automatic engine controls is heldup because of insufficient supplies of motors and parts from the Reich. The order for infantry granades (Neyst and Zn. Haag) is stalled because of crackage in the manufacture of forging slugs (probably inferior raw material.)

Motor-ship "Stenor," 4,000 tons now under construction. All ship-yards have plenty of orders. As soon as materials arrive, production can get under way.

Diederich Aircraft Plant delivered the first ten DFS 230 gliders.

Limited supply of raw materials for the manufacture of woven goods requires manufacture of regulation-overcoat-cloth with only 22% wool, instead of production of this article with 35% wool content.

Supply of iron ore most inadequate under present allocation system.

Armament orders cannot be filled under present quotas. Establishment of a scrap iron collecting depot for ship repairs has been authorized.

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SECRET

Coal supply became more critical because of aerial bombardments, which concentrated on the Limburg deal area, including the state mine, "Mauritius," (Geleen), resulting in loss of 138,000 tons of production, with total production loss until end of November estimated to be at 200,000 tons. Only 77,000 tons of this loss can be recovered by shifting miners to other pits. Pit Mauritius is especially essential since bituminous coal output is at maximum here (daily capacity of 8,000 tons) and needed for coking and for gas plants.

Advance storage of coal in plants not possible. Most places have but two-day advance supply.

Regarding the 40,000 workers requested by Raich economy; it must be noted that this loss of manpower will also affect armament production here. The requested figure of 40,000 can be met up to 90%.

Forced recruitment of males for the Reich has caused unrest in plants here. People leave jobs and move to the country. Female employees also fear shipment to Reich, get married, and leave plants to do housework instead.

Since supplying the Reich with 3,000 freight cars, transportation is critically affected, made more difficult because of harvest transports which cannot be shipped according to quota assignments. Freight of priority categories 2 and 3 is generally not shipped. Unloading time reduced to 6 (from 8) hours.

In addition to other damage due to air attacks, nitrogen production reduced by 2,500 tons.

OVERALL REPORT COVERING NOVEMBER 1942

Increased loss of manpower because of shipments to Reich, closing down of non-essential industries in Holland, strict supervision of non-military orders in line with the rationing program, and especially the new directives covering iron allocation, have contributed to a reduction of 14.3% in monetary expenditures on production in October 1942.

Increase of productive capacity can be accomplished only under the following conditions:

- 1. Plants working mostly or exclusively on German orders must retain deilled working staff as well as sufficient number of trained auxiliaries.
- 2. The limited fuel materials available must be exclusively allocated for German production orders, so that plants are supplied on the basis of the relative importance of their production.
- 3. The officiency of plant operations must be stepped up in such a manner as to achieve the total production capacity of the country. Special plants producing essential items for armament plants must be given preference over non-essential establishments.
- 1. Old orders marked by identification numbers, which have not been filled because of raw material shortages, must be cleared by special material allocations (as was done with 15,000 tons of rolling mill products) so that these orders may be filled, and new orders can be placed.
- 5. All non-essential production and usage must be forbidden in all industries, even including non-essential items for the Reich.

Production of army equipment curtailed because of difficulties in procuring tools and small iron parts, wood screws, etc., although over-all production satisfactory. Chipment of about 65,000 transport barrels is normal. Due to iron shortages, the following months will show 50% decrease in output. Munitions production continues without difficulties (the bottleneck in production of hand grenades is now overcome).

33 sea-going fishing steamers ordered by German High Sea Fishery Association (Hochsee Fischerei Verband) have been confiscated to be finished for German Navy.

Production delay in bemb-damaged factories is due to lack of enough wood and construction-steel to reconstruct part of plant facilities.

Present iron ore quotas are meeting present need only 25 - 50%.

orders
Air Force/are filled, especially at Philips Plant.

Inauguration of 8 3/4 hour day in mining industry has, so far, not resulted in increased production. Overall shortage of gas and cosl has resulted in further 20% reduction in coal and electric power for December quota for textile industry.

The accelerated Aryanization program of the Security Police has slowed down textile production for Army. In one case, 300 Jewish deillod workers and employees were arrosted. They were working on rubber garments for Army. Trained Aryan help not available to replace these people.

The new order requisitioning 17,000 auxiliary workers for the Reich will eventually hurt the armament industry. It is imperative that the requisitioning authorities take all non-essential labor first.

Lack of transport facilities (locomotives, etc.) further complicates shipping the expected quotas to Reich.

Morale among workers, low. Labor deportations greatly influence willingness of local workers to produce, since present measures are contrary to former promises made to them by German authorities. Especially noticeable in shippards.

OVERALL REPORT COVERING DECEMBER 1942

Further reduction of coal allocations by 25% and gas and electricity by 10 - 30%. Plants are advised to conserve further all types of energy so that overall production be affected as little as possible.

Armament production given top-priority on fuel supplies. In order to save coal and power, 23 December until 4 January, plants remained shut.

1,500 tons of material put aside to fill order for 500,000sshall baskets.

Special system now installed for speedy release of steel needed to repair damaged shipping.

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SECRET

Mild weather alleviated the coal shortage somewhat.

Lack of skilled labor in armament plants now noticeable. Auxiliary workers are staying away from work, fearing to be shipped to Germany. The loss of 8,000 skilled workers to replace German skilled workers now inducted, would cripple production in Holland. It is suggested that an apprentice-program be inaugurated in Holland. Trained apprentices would then be sent to Moich. This program could apply to 10% of labor force assigned to plants, which would undergo three months training at a time.

Morale of Lutch workers is still low, although management and workcrews in armament plants are willing to cooperate with the German Armament Commission. The Dutch worker is willing to subject himself to the requirements of the German war program, especially if he feels that the burdens of war are equally and fairly distributed, and he receives just treatment.