

OFFICE OF INTERNAL SECURITY

TERRITORY OF HAWAII

IOLANI PALACE
HONOLULU, T. H.

17 August 1944

Box 57
Folder 1
Item 2
Page 1



new sp. 18 Hawaii Station

The Honorable John J. McCloy,
The Assistant Secretary of War
War Department
Washington, D. C.

Dear Mr. McCloy:

As I notified you by dispatch, Admiral Ghormley, Admiral Furlong, Commodore Robertson and Mr. Holcomb were at my office yesterday and arrangements were completed most satisfactorily to place the new integrated manpower program and the supplemental operating agreement in effect on 21 August 1944. Two photostatic copies of this executed agreement are inclosed.

On 21 August 1944 I shall issue an amended General Orders No. 10, copy of which is inclosed. This is preparatory to ultimate rescission of the entire labor order, which I anticipate can be accomplished within sixty (60) days, if not sooner. As I previously informed you in my letter dated 8 August 1944, I do not intend to invoke the provisions of General Orders No. 10 during the sixty (60) day reprieve unless absolutely necessary.

I am also inclosing clippings of the attendant publicity given in the local newspapers to the announcement of this program, as well as an editorial from the Star-Bulletin which is indicative of the reception to the program.

Very truly yours,

ROBERT C. RICHARDSON, JR.
Lieutenant General, United States Army
Commanding General, United States Army
Forces, Pacific Ocean Areas

3 Incls.

FOR DEFENSE



Cy sent to Maj Kriss, ODSW.
25 Aug. 44.

17 Aug 1944

HONOLULU STAR-BULLETIN

THE NEW MANPOWER CONTROLS

AUG 16 1944
In its essence, the new labor control, which has been agreed upon by the army, the navy and the war manpower commission is designed to budget Oahu's available manpower.

It takes charge of this island's "floating" labor, and places it where it is most needed and where it can best serve the war effort.

Having been approved by the three agencies most largely affected, it remains only for employers and workers through their cooperation to make it completely effective.

In several ways, the new system will be much more stringent than anything this war area has heretofore known.

As a general rule, any person desiring to take a new job must have a certificate of approval from the United States employment service.

This certificate will be issued following application to the service, which will refer the jobseeker to a position calculated to use his or her highest skill in support of the war.

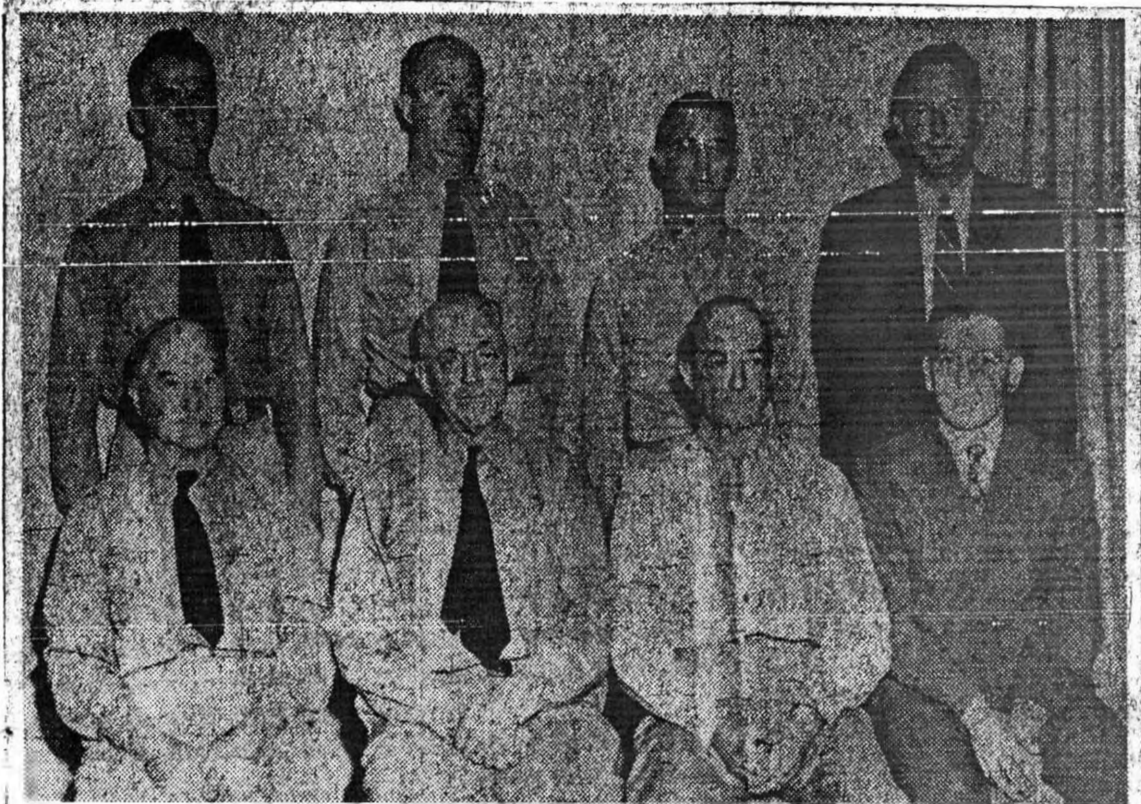
Military control of manpower has served a useful purpose and has been well handled. Today, with new offensives gaining momentum against the enemy, the military has other work to do.

As Lt. Gen. Robert C. Richardson Jr., Pacific ocean areas army commander said, "The cooperation of all elements in this community has been so satisfactory and so outstanding in all matters furthering the prosecution of the war that continued cooperation in the new program will make it the real success that is anticipated."

Civilian Hawaii has not failed so far on the score of energy, determination or cooperative endeavor to bring this area to its highest effective pitch for prosecution of the war.

The same brand of cooperation will make the new manpower controls just as effective.

HONOLULU ADVERTISER



ESTABLISH NEW MANPOWER CONTROLS—Army, Navy and civilian officials met Monday in the Office of Internal Security, Iolani Palace grounds, to establish new manpower controls in the Territory, effective August 21. Under the arrangement workers will be channeled to war useful jobs by the U.S. Employment Service. Those who took part in the formal signing of the agreement are shown, left to right, seated: Rear Admiral William R. Furlong, commandant of Pearl Harbor Navy Yard; Vice Admiral Robert L. Ghormley, commandant of 14th Naval District; Lt. Gen. Robert C. Richardson, Jr., commanding general, Pacific-ocean areas; Newton R. Holcomb, territorial director, War Manpower Commission. Standing, left to right: Lt. F. W. McKay, 14th Naval District civilian personnel officer; Commodore M. C. Robertson, chief of staff, 14th Naval District; Col. W. E. C. Morrison, executive, Office of Internal Security, and John E. Mead, labor director, Office of Internal Security. (U.S. Army Signal Corps Photo.) **AUG 17 1944**

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EMPLOYMENT STABILIZATION PROGRAM
FOR LABOR SHORTAGE AREA
HAWAII

OPERATING AGREEMENT

AGREEMENT BETWEEN COMMANDING GENERAL, PACIFIC OCEAN AREAS, COMMANDANT, 14TH NAVAL DISTRICT, COMMANDANT, NAVY YARD, PEARL HARBOR AND TERRITORIAL DIRECTOR, WAR MANPOWER COMMISSION PERTAINING TO OPERATIONS UNDER THE EMPLOYMENT STABILIZATION PROGRAM FOR THE LABOR SHORTAGE AREA AS APPENDED HERETO, AND HEREINAFTER REFERRED TO AS THE PROGRAM.

- 1.00 Definitions in the Program are carried over into this agreement. Sectional references in this agreement are to Program sections.
- 2.00 There shall forthwith be created a Manpower Priorities Committee as provided in section 1.04. The voting membership of said Committee shall be restricted to War Department, Navy Department and War Manpower Commission, with each constituent agency having one vote. This shall be the minimum voting membership of said Committee and as such shall not be subject to reduction. The voting membership may be enlarged only upon unanimous vote of the Committee.
- 2.01 Non-voting membership shall be open to certain specified Federal agencies as designated in section 1.04. The failure of any such designated agency to accept advisory membership shall not affect the composition or functions of the Committee. The non-voting membership may be enlarged by majority vote of the Committee. The extent to which such advisory non-voting members shall or may participate directly in Committee proceedings shall rest within the discretion of the voting membership.
- 2.02 In all matters coming before the Committee, it is assumed that decisions will be arrived at unanimously through discussion, failing which the majority vote shall apply. If the matter at issue involves relative rating of Army and Navy agencies or projects, representatives of the War and Navy Departments will resolve the issue between them through their own channels.

- 2.03 Prior to presentation of data regarding manpower needs of Navy and War Department agencies or projects, the War and Navy Departments shall carefully evaluate those needs. It is recognized that justification before the Committee in all cases may not be consistent with military security and therefore in cases clearly identified as such, actions of the Priorities Committee will be based on needs of War and Navy agencies as presented by their representatives and shall not require detailed justification or analysis of such manpower needs by the Priorities Committee. Detailed justification shall be required for all other military and non-military establishments or projects.
- 2.04 The Committee shall by motion fix the frequency, time and place of its meetings.
- 3.00 At its initial meeting the Priorities Committee shall create and constitute from among its voting members a sub-committee to be known as the Coordinating Committee, which sub-committee shall consist of two members, one of whom shall be the Territorial Director of the War Manpower Commission. It shall be the general function of this committee to assure adequate coordination of the War and Navy Departments and the War Manpower Commission in the exercise of manpower controls in the area.
- 3.01 The Director shall consult in advance with the Coordinating Committee on all matters of policy within the jurisdiction of the Director under the stabilization program, and will govern his actions under the program in accordance with the determinations of the Coordinating Committee.
- 3.02 In addition, the administration of the program shall be subject to review by the Coordinating Committee, for which purpose the War Manpower Commission shall procure for the Committee such surveys and permit such inspections as may be required from time to time by the Committee.
- 3.03 During intervals between meetings of the Priorities Committee as a whole, the Coordinating Committee may act for and in the name of the Priorities Committee in meeting emergency situations to the extent and with the exercise of such authority as the Priorities Committee may by motion invest in the sub-committee.
- 3.04 The Coordinating Committee shall not be required to maintain formal records of its operations, but shall report verbally to the Priorities Committee whereupon such reports shall be recorded in the minutes.

4.00 In amplification of certain provisions of the Program, it is hereby understood and agreed:

(a) As to Hiring Agencies

Designations of hiring agencies, if and when made by the Priorities Committee, shall carry a full definition as to the scope of permissible operations and shall specifically require that such operations be in full conformity to priorities and other determinations of the Priorities Committee as may be established from time to time. Authority conferred on such hiring agencies may be suspended or revoked for cause as determined by majority vote of the Committee.

(b) As to Appeal Functions

It is stipulated and agreed that the Section of Labor Control of the Office of Internal Security shall, as of the effective date of this agreement, cease to operate as an appeal agency and that all appeals arising under the program shall be dealt with under provisions thereof.

(c) As to Grievance Procedures

No provisions of the program shall be interpreted as providing grounds for interference in the operation of any established grievance procedure; provided, however, that if and when existence of grievance procedure is claimed as a basis for staying an appeal, the War Manpower Commission (or in the case of Federal employment, the Civil Service Commission) may require proof acceptable to them that such grievance procedure is in fact in operation; that its provisions are adequate and equitable and that employees have been notified of their rights under the procedure. Failing such proof when required as aforesaid, the claim to the existence of such grievance procedure shall not operate to stay appeal procedures as set forth in the program.

(d) As to Employers Operating Under General Orders No. 10 as Amended

(1) Civil Service agencies hitherto operating under General Orders No. 10 shall conduct all their employment activities in accordance with United States Civil Service rules and regulations which for purposes of the Employment Stabilization Program are to be considered as part and parcel of such program.

4.00 (d) (Continued)

- (2) Primary contractors of the War Department and/or Navy Department as defined and limited in section 1.02d are to be considered as agents of the War or Navy Departments to the extent of contracts so held and as such agents are entitled to representation as to priorities by the Army and/or Navy representatives on the Priorities Committee. In all other respects, such primary contractors shall rank with other non-Federal employers under the operations of the Program.
- (3) Employers hitherto operating under General Orders No. 10 other than Civil Service agencies and primary contractors as above shall not be entitled to any special consideration solely by virtue of being under General Orders, but their claims, if any, as to priorities and in all other matters arising under the program shall rank solely on their respective merits along with other employers not under General Orders.

(e) As to Disciplinary Layoff of Direct War and Navy Employees

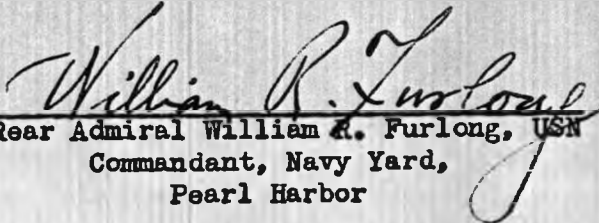
With respect to direct employees of the War and Navy Departments the provisions of section 4.01b of the program is hereby supplemented so as to read as follows:


"He has been laid off for an indefinite period or for a period of seven (7) or more consecutive days for other than disciplinary reasons."

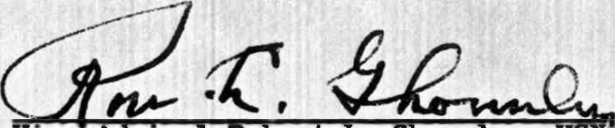
Questions arising hereunder shall be referred for determination to the Special Committee created in section 5.01.

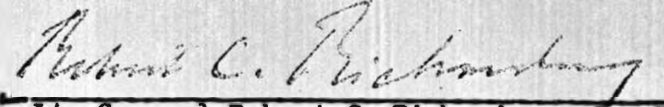
5.00 This agreement may be altered, modified or amended only by unanimous approval of the Priorities Committee.

6.00 This agreement becomes effective concurrently with effectuation of the Program aforesaid, and remains in effect during the currency of said Program.


Rear Admiral William R. Furlong, USN
Commandant, Navy Yard,
Pearl Harbor


Newton R. Holcomb
Territorial Director
War Manpower Commission


Vice Admiral Robert L. Ghormley, USN
Commandant, Fourteenth Naval
District


Lt. General Robert C. Richardson, Jr., USA
Commanding General, Pacific Ocean
Areas

14 August 1944

The purpose of this program is to eliminate wasteful labor turnover, to reduce unnecessary labor migration, to direct the flow of labor where most needed in the war program, and to obtain the maximum utilization of manpower resources through the cooperative efforts of labor and management by measures equitable to both and necessary for the effective prosecution of the war.

1.02 As used in the employment stabilization program:

- a. The Labor Shortage Area is the City and County of Honolulu, Territory of Hawaii.
- b. Director means the Territorial Director of the War Manpower Commission.
- c. Agriculture means those farm activities carried on by farm owners or tenants on farms in connection with the cultivation of the soil, the harvesting of crops, or the raising, feeding, or management of livestock, bees, and poultry, and shall not include any packing, canning, processing, transportation or marketing of articles produced on farms unless performed or carried on as an incident to ordinary farming operations as distinguished from manufacturing or commercial operations.
- d. Essential Activity means any activity included in the War Manpower Commission List of Essential Activities. (All Army and Navy activities, including all prime contractors engaged exclusively on Army and Navy work in the Labor Shortage Area are to be considered leading permanent essential activities.)
- e. Locally needed activity means any activity approved by the Director as a locally needed activity.
- f. Statement of Availability is a form provided by the War Manpower Commission for use by essential or locally needed employers in confirming the separation from employment of employees released in accordance with this program. A Statement of Availability may be issued by an employer or by the United States Employment Service or, in the case of Federal employees, by the U. S. Civil Service Commission.
- g. Certificate of Referral is a form (USES-508) issued by the United States Employment Service, referring a worker to a specific job with a specific employer for consideration for hiring by such employer.

EMPLOYMENT STABILIZATION PROGRAM
FOR LABOR SHORTAGE AREA
HAWAII

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- h. The terms employment and work as applied to an individual engaged in principal and supplementary employments near his principal employment.
 - i. Full-time employment means an employer's regular work schedule provided such schedule is not in violation of applicable regulations of the War Manpower Commission.
 - j. Essential worker is any worker, regardless of occupation, who during the preceding 90 day period was engaged in any essential or locally needed activity.
 - k. Words in the masculine shall be read in the feminine as occasion may require.
- 1.03 The Management-Labor War Manpower Committee for the Territory of Hawaii is authorized to consider questions of policy, standards and safeguards in connection with the administration of this employment stabilization program and to make recommendations in connection therewith to the Director.
- 1.04 The Manpower Priorities Committee for the Labor Shortage Area shall be composed of one (1) representative from each of the following agencies: War Department, Navy Department, and War Manpower Commission. In addition, advisory membership shall be open to the following agencies: War Production Board, Selective Service System, War Food Administration, U. S. Civil Service Commission, Office of Defense Transportation, and War Shipping Administration. The Committee shall have the responsibility of determining production urgencies, employment ceilings and priorities. The Committee shall have the further responsibility of designating hiring agencies which shall be authorized to hire directly qualified workers in occupational classifications for which such employers are granted leading priorities by the Committee, except that any such hiring agency may not hire any worker most recently employed in agriculture without a referral by the USES or any worker who within the preceding 90 day period was employed in essential or locally needed activity and does not have a Statement of Availability from such employment.
- 2.01 In accordance with the findings of the Priorities Committee, the Director shall accord priorities for the referral of labor to employers engaged in essential or locally needed activity, and establish and administer employment ceilings governing the number of employees for any or all establishments in the Area.
- 3.01 All hiring and solicitation, by advertising or otherwise, of workers in, and for work in, the Labor Shortage Area shall be conducted in accordance with this program.

3.02 No employer in the Labor Shortage Area, other than a duly designated hiring agency, may hire any new worker except upon presentation of a Certificate of Referral. This provision does not apply:

- a. To the hiring for agricultural employment of a worker most recently employed in agriculture;
- b. To the hiring of any in-migrants from the Continental United States entering the Labor Shortage Area in fulfillment of a bona fide employment contract, agreement, or transfer. Such in-migrants shall not be referred to other employment than that designated in such contract, agreement or transfer until formally released therefrom by the employer in accordance with the provisions of this program.
- c. To the hiring of a worker for employment which is supplementary to his principal employment; provided that such supplementary employment shall not constitute the individual's most recent employment for purposes of this program.
- d. To the hiring for domestic service of a worker most recently employed in domestic service;
- e. To the hiring of a school teacher for teaching at the termination of the vacation period.
- f. To the hiring by a foreign, territorial, county or municipal government, or their political subdivision, or their agencies or instrumentalities, unless such foreign, Territorial, county or municipal government, or political subdivision or agency or instrumentality has indicated its willingness to conform to the maximum extent practicable under the Constitution and laws applicable to it, with the program.
- g. Through exemption from the priority referral provisions of this program honorably discharged veterans of World War II shall have unrestricted choice of employment during the first 60 days following their return to civilian employment and shall likewise during the same period be exempt from provisions of this program as to release from employment.

3.03 The decision to refer or to hire a worker shall be based on qualifications essential for performance of or suitability for the job, and shall be made without discrimination as to race, color, creed, sex, national origin, or except as required by law, citizenship, or for reasons of security of the war program in the Territory of Hawaii.

3.04 Each employer shall file all Statements of Availability and/or Certificates of Referral presented by workers whom he hires and shall permit inspection of such Statements and Certificates by the Director or his representatives. Within two days after hiring such worker the employer shall file an accession report with the USES containing the individual's name, address, Social Security account number, and date the worker actually acceded to the payroll.

3.05 If the United States Employment Service determines that an employer has hired a worker under circumstances precluded under this program, the employer shall, upon notice of such final determination, release the worker from his employment.

3.06 All employment within the Territory of Hawaii by departments and agencies of the Federal Government which are subject to the rules and regulations of the United States Civil Service Commission, and transfers between such departments and agencies, shall be made in accordance with procedures of the U. S. Civil Service Commission, which will conduct its recruiting activities within the Territory in accordance with this program.

For the purposes of this program, the U. S. Civil Service Commission is considered to be the employer for all employees of the agencies of the United States Government.

4.01 An essential worker shall be entitled to receive from his employer a Statement of Availability if any of the following conditions exist:

- a. He has been discharged, or his employment has been otherwise terminated by his employer; or
- b. He has been laid off for an indefinite period or for a period of seven (7) or more consecutive days; or
- c. Continuance of his employment would involve undue personal hardship; or
- d. His employment is or was at a wage or salary or under working conditions below standards established by Territorial or Federal law or regulations; or
- e. His employment is or was at a wage or salary below a level established or approved by the War Labor Board (or other agency authorized to adjust wages or approve adjustments thereof) as warranting adjustment, and the employer has failed to adjust the wage in accordance with such level or to apply to the appropriate agency for such adjustment or approval thereof.

4.02 If the employer fails or refuses to issue a Statement of Availability when any of the circumstances set forth immediately above exist with respect to a person in his employ, the employee shall be entitled to make application to the United States Employment Service for release from his employment and he shall receive from the United States Employment Service a Statement of Availability or Certificate of Referral if it is determined upon due investigation that any of the foregoing circumstances do exist with respect to his particular employment. Employees of the War or Navy Departments or any other employees of the Federal Government who are

4.02 (Cont.)

denied a separation from the employing agency shall be entitled to make application to the U. S. Civil Service Commission for a Statement of Availability, pursuant to section 3.06 of this program.

A Statement of Availability shall be issued by the United States Employment Service to any individual in the employ of an employer who is found, by the War Manpower Commission, after notice, hearing and final decision, to be in violation of the provisions of this program.

An essential worker shall be entitled to receive from the United States Employment Service a Certificate of Referral if (a) he has a Statement of Availability; or (b) he has not been employed by essential or locally needed activity within the preceding 90-day period; or (c) he is employed at less than full-time or at a job which does not utilize his highest recognized skill for which there is a need in the war effort.

4.03 The United States Employment Service shall direct any worker to return to or remain on his job:

- a. Pending any determination on his request for a Statement of Availability or Certificate of Referral.
- b. Pending a decision of his appeal from a determination denying him a Statement of Availability or Certificate of Referral.
- c. If it has been finally determined that he is not entitled to a Statement of Availability or Certificate of Referral.

Rights to relief under this program shall be dependent upon compliance with this section.

4.04 A Statement of Availability issued to an individual pursuant to the program shall contain only the individual's name, occupation, address, social security number, if any, the name and address of this issuing employer, or War Manpower Commission officer, and office, the date of issuance, and such other information not prejudicial to the employee in seeking new employment as may be authorized or required by the War Manpower Commission.

5.01 Any worker or employer may appeal from any act or failure to act by the War Manpower Commission under this program, in accordance with regulations and procedures of the War Manpower Commission.

In all matters pertaining to employees of the War and Navy Departments, appeal under the provisions of this program shall be to a special committee comprised of one representative of each of the

5.01 (Cont.)

following agencies: War Department, Navy Department, Civil Service Commission and the War Manpower Commission. This procedure will in no way usurp or supersede established grievance procedures.

- 5.02 Nothing contained in this program shall be construed to restrict any individual from seeking the advice and aid of, or from being represented by the labor organization of which he is a member or any other representative freely chosen by him, at any step in the operation of this program.
- 5.03 Nothing in this program shall be construed to prejudice existing seniority, reemployment or similar rights of an employee or an employer under a collective bargaining agreement.
- 6.01 This program supersedes the Employment Stabilization Program for Hawaii dated October 15, 1943 insofar as that program pertains to the Labor Shortage Area as defined herein.
- 6.02 This program becomes effective as of **August 21,** 1944.

APPENDIX "A"

Priority Referral Standards

A worker shall be referred to jobs in the following order:

- a. To a job at his highest skill in an establishment on the manpower priorities list in the order of relative priority.
- b. To a job at his highest skill in industries which are essential or "locally needed" but not on the priorities list.
- c. To a job on the priorities list in the order of relative priority where he may use skills closely related to his highest skill.
- d. To a job in an essential or "locally needed" industry, not on the priorities list, where he may use a skill closely related to his highest skill.
- e. To other job openings, but only if there is not a job opening in an essential or "locally needed" activity for which the worker is qualified and which he may not decline under the provisions of this program.

In any case in which there are two or more job openings of the same relative urgency for which the worker is equally qualified, he shall be entitled to a free choice of the job opening to which he wishes to be referred.

The order of referral may be altered at the discretion of the Director in any of the following circumstances:

- a. In order to refer a worker to a key job in a less essential activity of significant importance to the health, welfare or interests of the community; or
- b. In order to refer a worker to a job beneath his highest skill in an essential or "locally needed" activity when no other qualified worker is available and when the job must be filled immediately to avoid loss or interruption of critically needed production or service; or
- c. In order to refer a veteran for training or employment as required by Public Law 16, 78th Congress of the Selective Service and Training Act, as amended.

Refusal of Referral

A worker shall be permitted to refuse a referral to a job opening and continue to be eligible for further referral if:

- a. The referral is not to a job opening in an occupation which would use his highest skill, and such job openings are available in essential or "locally needed" activities.
- b. There being no job opening in a job which would use his highest skill, the referral is not to a job opening which would utilize a closely related skill and such job openings are available in essential or "locally needed" activities.
- c. The wages or working conditions in offered employment are not reasonably comparable to those prevailing for similar employment in the Labor Shortage Area, and the employer has failed to adjust the wage in accordance with such level or to apply to the appropriate agency for such adjustment or approval thereof.
- d. The wages or working conditions of the job offered are below standards fixed by applicable Federal or Territorial law or regulation.
- e. As a condition of accepting or continuing in the offered employment, he would be required to join, resign from, or refrain from joining a labor organization.
- f. The worker can show that acceptance of the job offered would involve undue personal hardship.

If a worker is referred to a job which he may refuse on one or more of the grounds set forth above, he shall be advised of his right to refuse.

Unjustified Refusal

If a worker refuses referral on grounds other than those listed above, the worker shall not be eligible for referral to other jobs until another opening develops for which he qualifies and which has equal or higher priority.

Employer Obligations

The United States Employment Service shall not refer any worker to a job opening with an establishment which has been found, after notice, hearing and final decision, to be in non-compliance with this program or other War Manpower Commission regulations.

Referrals may be discontinued to any employer who arbitrarily or unreasonably discharges his workers or who without good cause refuses to hire qualified workers referred to him.

An employer to whom a worker is referred shall not use such worker for any substantial period of time on a job requiring a skill beneath

the skill level of the job to which the worker was referred or on a job connected with production or services less urgent than that for which the referral was made. Non-compliance with this stipulation will result in the worker's release by the United States Employment Service upon the worker's request. U. S. Civil Service employees are governed by U. S. Civil Service regulations in this respect and therefore this provision does not apply.