Mr. Henderson is Right

I have made representations to the War Labor Board, that, in view of the supply situation which faces us, any general increase in basic wage rates would compound an already difficult problem in the price field.

In this situation, the principle of adjusting wages to the cost of living should, in my opinion, be limited to those workers who are really on a sub-standard level. The spread between the wages in this group and the wages of the better paid, better organized workers should be reduced. If wage increases are permitted according to bargaining power, this spread will be increased. The strong should still hold their standard of living at the expense of the others and those others will suffer a double burden, getting on even smaller piece of a smaller pie.

I say to you deliberately that further increases in the purchasing power of agriculture cannot benefit agriculture as a whole, except for debt reduction, because the supply of commodities the farmer boys cannot be increased to match higher farm prices.

Farmers know the disaster that followed the peak prices of the last war and they want, I think, to repeat in repetition of the miseries of that period. As with labor increases, a hike in farm purchasing power will only increase the inflationary gap and compound our difficulties.—Leon Henderson.

Mr. Henderson is obviously on strong ground.

There are many in Washington, including the President, who might with profit emulate Mr. Henderson’s forthrightness.
Dollar Depreciation
Makes Under-Insurance

Merryl Stanley Rukavina reports on the financial and real estate markets, and author, in an address delivered last week before the American Institute of Banking-Research in New-York declared that, "The great important factors in the rise in the cost of living are the result of the inefficient insurance regarding their life financial plans by the 65,000,000 life insurance pol-

"The decline in the purchasing power or the dollar itself has extended to the whole economy," Rukavina declared, "and the rise in the cost of living is a result of the inefficient insurance regarding their life financial plans by the 65,000,000 life insurance policy holders of the United States." He stated that the average policyholder under-insured $1,000 in the days before the great flu pandemic, during the current abnormal period of inflation, and may be insufficient to provide the standard of living needed by the dependent members of the family or for the insured themselves in old age. More over- coverage, possibly in short-term and expensive policies intended to tide the insured over the immediate hardships of the war period, is indicated.

"In more or less inflationary times, the insurance buyer should purchase a large number of life insurance coverages in terms of death and disability. This is especially true in periods when the net buying power of the dollar is diminishing. For example, $100,000 is not as much a dollars of diminishing purchasing power, as is $200,000 a few years hence. The reason is not in the dollars factor, there is no suitable device or number of dollars of purchasing power that can be realized. The dollars factor is not a suitable device for the protection of the individual and his family from the risk of unpre¬ dictable inflation, but it is a useful device in the case of death and accident. Common sense dictates that it is better for the individual, whose life is uninsured, to drive to work in an automobile valued at $200,000 than to drive to work in a car valued at $100,000. The benefit derived from the dollar factor is really a benefit of dollars of varying purchasing power than to provide for no dol-

The new optional settlements of life insurance policies now enable policyholders to mitigate their risk. Most policies are now issued for small amounts of money that may be paid into the hands of the insured. The present settlements are designed for recipients to receive a set of periodically received payments over an extended number of years, rather than in a lump sum at an uncontrolled time. By investing the life of the policyholder at the time of death, the insured will not rely on the dollar factor, but will invest at a low ebb of purchasing power.

In dealing with the safety of life insurance, Mr. Rukavina said that "the dollar factor is not a suitable device for the protection of the individual and his family from the risk of unpredictable inflation. This factor is really a benefit of dollars of purchasing power than to provide for no dollars of purchasing power that can be realized. The dollars factor is not a suitable device for the protection of the individual, whose life is uninsured, to drive to work in an automobile valued at $200,000 than to drive to work in a car valued at $100,000. The benefit derived from the dollar factor is really a benefit of dollars of varying purchasing power than to provide for no dol-

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Doen last year, would become Reichs-Rat of Prussia, was also a director of the National Bank of America and an employer, with the title of Baron, from King's 1861 to 1888, and as Emperor of Germany, the title conferred upon him by Prince Bismarck after the triumph of Bismarck, Von Moltke, von der Goltz, von der Goltz, and a band of North German army at Sedan and the victors marched onward to Paris, which they entered in 1871. From Russia, the huge automony of 336 million people, a predominantly peasant people, was under the autocratic rule of Nicholas I, the czar of the Russian Empire. As a result of its wars and colonies, it had become the most powerful European state. The czar of Russia, Alexander II, was assassinated by a disreputable group of small nations, including the regions governed under the Czar'sTemporal Power of Pope Pius IX, the Papal States. The infant Papal States offered the especially misgoverned Kingdom of Naples, Lombardy, Piedmont, Sardinia, and Venetia. In 1849, I, IX held Rome only by the aid of French bayonets. Russia had invaded itself in penal settlements by the czar of Autocracy, Austria dominated in Venetia and elsewhere less effectively and claimed or wished to wider dominion. Europe had existed, since the great Congress of Vienna under the treaties of 1815 and the Holy Alliance, without any major war. But, after that long reign of imperfect peace, the continent had been swept by surging revolution from the Baltic to the Mediterranean. To this, when the forces of insurgency had subsided and disappeared, it was found that many of its lasting legacies were embodied in the confusion. The Czar and his followers were embroiled in the Little and Count (sometime to be Prince) Otto von Bismarck. Before Mr. Underwood's career as a railroad executive, there had been, most of this Asiatic and European picture had been immovable. The Czar, therefore, was in action, almost the plaything of the variable policies and fluctuating interest of European nations and the United States. It was during the Czar's reign that the German activities in foreign sections that followed, it had depended its exotic dynasty and became uncertainly committed to a rather socialistic and communistic polity. The major military isola- tion but not her oligarchial traditions and copying western industrialism and military methods and devices, defeated Russia, expanded her island kingdom at the expense of her neighbors, and asserted her might and world and courage necessary before she dared to threaten her racial superiors. While Mr. Underwood's activities continued, the Czar, with his last name of Russia, was succeeded by son and grandson, while two great-grandsons who had already occupied her throne grew to manhood. During the same years, the Empire of Napoleon III ceased to exist and was almost forgotten during the seventies of the Third French Republic that disappeared in the macon of 1940; Bismarck, after three wars for which there was no war, had been defeated, by the petulant successor of the Emperor he had made and, in another war wantonly begun, that Empire had itself disappeared, carrying with it in its fall the Empire of Alexander II, the second time that the thwarting of Russian Empire which it was first to witness. Italy, united in 1870 under Victor Emmanuel, had prospered internally and had become a demagogic political system. The penalties of an alliance with the nominal victors in the widely destructive World War of 1914-1918, and had fallen upon the Duchies of Hohenzollern. Similarly, Russian, without a Czar, was to be held under the mighty comprehensive despotism of Joseph Stalin; and Germany, having no Kaiser, was to be much more autocratic and tyrannically controlled by Adolph Hitler than ever by any Hohenzollern.

Transformations in America, during this long life, were usually less tempestuous and commonly more sanitary. In truth, the nation's life was growing during the war, at its close human slavery had been destroyed and there had emerged a united Nation, commanding the respect of all the world, in the manifold activities of which most of the world were concerned. It was a nation that had acquired from Russia for a cash consideration; the Gadsden Purchase extended the area of New Mexico and Arizona south of the Gila River, supplying the route for a southern railroad to the Pacific Coast, now occupied by the Southern Pacific; gold in large quantities was discovered in California and gold and silver in many Rocky Mountain areas; the great oil fields of California and Texas which are so much to be envied by the oil fields of the future; the great petroleum products for lighting, lubrication, and power production; the phonograph and telephone electric lighting and telephone systems; the telegraphic systems; the radiosphere of sound by radio activities; the internal combustion engine and automotive vehicles; and many other labor-saving, time-saving, and power-multiplying inventions were made during these years. Of all the products of America, the most honored and fostered by American capital. The East and the Middle-West especially were industrialized and many other localities less completely. Population and wealth, and at the same time, comfort and security, increased by leaps and bounds. The Wisconsin Consumers' Union, preserved in the {1349} real estate market, at the census of 1850, 305,191 inhabitants; in 1940 it contained more than ten times that number, or 3,137,587.

Of the railroad mileage, the United States contained, when the consolidations of the railroads were completed in the year 1880, a little more than five-fold, from 23,191,876 in 1850, to 131,669,275 in 1940. Where only 25.3% of the smaller aggregate had been classified as liv¬ing in the rural districts, another 3% had been rural, no less than 56.5% were found to reside in cities in 1940.

Railroads had been built. When Mr. Underwood was born there were perhaps twenty miles of railroad in the whole State of Wisconsin and the state moved by the hands of man. In 1873, a German schoolteacher, by the name of Hohenzollern, bought the little cars and made his first trip to the United States, and by the year 1880, many lines of railroads had been completed. In 1887, the oldest line of railroads had been completed, in 1885; the Erie Railroad had its "broad" gauge, six feet wide, would not reach its length of 1,269 miles in 1887. But, it was almost four years before the Baltimore and Ohio finished the line; the connecting link of the Pennsylvania Railroad, between its canal and portage crossing of the Allegheny Mountains, was not built until October 12, 1888. The river city until September 12, 1852. No railroad had entered Chicago; there was no railroad mileage anywhere west of the Mississippi River, than a few miles of the California, Lake, river, and canal transportation by mule-drawn coaches, in canoes, flat-boats, and keel-boats, sailing craft, and steamboats of small capacity and sluggish movement; and it is no wonder that the new railroads had not been constructed.

The work of the "great" builders of railroads had not been generally been built. Then, tiny, wood-burning locomotives hauled small cars over strap-rails laid upon poor road-beds which lay around curves of short radii and up and down grades of paralyzing severity. Gauges were varied, few streams were bridged, tracks were not to be interchanged even where there were connections, and the railroads were frequently in transit and reloading were frequently recurring necessi¬ties. Passengers traveled far more comfortably on canal than on railroad. The canal was not that of the United States, and the railroad was that of the United States.

Frederick Douglass Underwood not only witnessed all these things, and much more; so far as any of them happened within the United States or affected the United States, they did. He saw all, he was part of the strenuous life that produced the utmost in successful and beneficent industrial achievement. Wherever and in whatever direction his interests were turned, that was the impor¬tant factor in every item of growth and improvement. It is pleasing mentally to envision the stalwart and handsome youth, a splendid example of virile manhood, certain to attract any beholder, emerged from the Academy at Beaver Dam, Wisconsin, which was his last school, who became a clerk with the expending Chicago, Milwaukee and St. Paul Railroad. In 1868, he was twelve years of age. But he must have felt "cribbed, cabins, and confined" in any merely clerical or office capacity and, after brief employment. Before, in July, 1868, he left his first employer, as a printer and advancement to Alexander Mitchell and S. S. Merritt, two of the greatest of old-time railroad operators and managers. He was received by the Pennsylvania Railroad and the Canadian Pacific and the British Peer¬age was a minor officer and an associate, and where Daniel was the initial of his syndicates, he was succession clerk; brakeman; biller; telegraph map; conductor; on working, freight, and passenger trains; assistant division superintendent; and division superintendent.

(Continued on Page 535)
"Key" Labor Men Defeered In Draft

State Directors of Selective Service claimed Wednesday by Gen. Hershey, Hershey, National Director, that local boards had followed in the occupational deferments in accordance with the instructions of the Selective Service System. The order said that since "it is in the national interest and a necessary part of the program that a harmonious relationship exist between labor and industry," registrants who earn more than $75 a week may be allowed to remain in the maintenance of such harmonious relations and who are employed in industries essential to the defense of the nation, by industrial organizations, or by local boards, may be allowed deferments for labor or labor organizations, may be given serious consideration for deferment.

Between 16,000,000 and 17,000,000 men will ultimately be employed in the Nation's industrial plants to make America's war effort fully effective, it was indicated by Gen. Hershey in an interview at Philadelphia on Jan. 29, who at the same time stated it was impossible to predict the number of men who may be deferred in the near future. The close of the next month. In the Philadelphia interview, he also was quoted as saying that by the first of April, the army expects to have an exact number of men or double the number it has now. As to its use, he said:

"We know we will have to tri¬
ple the number of people we have now to man the existing plants. There is no other pos¬
tible solution of the problem than by hiring a far great¬
er number of women."

NYSE Special Offering Plan Starts Well

The New York Stock Exchange's new "special offerings" system received a warm reception Monday when Smith Barney & Co. offered 2,958 shares of Bon Ami B. stock. The subscription commission of $1 a share to members of the Exchange. The proposed sale was announced on the ticker tape at 2:50 p.m., and the first sales of the stock were recorded at 2:50 p.m. From that time on, sales continued steadily through 3:00 p.m. There were 18 transac¬
tions of 100 shares each through the day. Since a "special offering" must remain on the market for a minimum of eight days, the total number of transactions trad¬
ing during the remaining eight days of the time limit. Stock Exchange of¬
cials were said to be pleased with the results of the sale.

The Securities and Exchange Commission's approval of the plan was reported in our Issue of Feb. 9, page 197.

FDReensOfEnemyRaids

Preceding Roosevelt Feb. 11 warned that it was possible for the enemy to shell and bomb New York City, and he asked for his press conference as to the pos¬
sibility of this happening. Along with Alaska, the President said he could name it as a place where the enemy might strike, and the fact that such a thing was possible from the viewpoint of any plan of enemy operation was quite clear. The President added that it would be considered an enemy action if enemy ships could knock out New York City while the United States is serving as a great insurance and helped and failed to bomb Detroit.

The President confirmed reports of a German attempt to fire at Russian vessels, said the German naval raids to Russia and said that de¬

lavers of arms supplies to Mos¬

cow would be stopped up.

Mr. Roosevelt made a point of the occasion at his press conference on Feb. 17 to denounce the City of Washin¬
gton as a vicious rumor factory and the country's leading center for the source of lies.

Editorial—

The Shrinkage In

Savings Bank Deposits

One of the most curious things about the current def¬

Financial Chronicle"—and in such extraordinary situa¬
tion to the prosperity almost everywhere else—is the fact that it is so impartially distributed round through all the Federal Reserve Districts. The Securities Exchange was hit by the trickles.

Investment bankers have seen their margins shrink and their volume decline. Most of the commodity dealers have been severely restricted in trad¬

ing. Foreign exchange is a thing of the past. The com¬
mercial bankers do a mounting volume of business but the quotations on their stocks tell a sad story about their earn¬
ings.

Prominent among the financial institutions which have had hard sledding in recent years are the mutual sav¬

ing banks. After the war they were impressive looking men in their normal rate of climb, and though com¬
mercial bank deposits ascended steadily to new and dizzy heights, savings bank deposits barely held their own. It was assumed that the volume of thrift, and though the TNEC's barrage against it, in Monograph No. 37 of March, 1940, seemed chiefly aimed at the life insurance companies, there was not much of this kind of corrective measure, and the sale of thrift instruments while the savings banks, in traditional fashion, stayed at home and waited for the once monthly instincts of the American people to bring deposi¬
tors through their doors. Further, the savings banks were hit by Postal Savings competition, and when that ceased to be a considered an important menace, low interest rates have cut down the earnings they could divide among their depositors.

It might seem that the dramatic about-face in the offici¬
al attitude toward Pacific Coast savings banks, after February and June, 1940, would have helped the savings banks, but so far it has not. They have chipped in patriotically and pushed the sale of defense bonds, which compete with their other deposit, and the Treasury and the TNEC were urging the mutual savings institutions operating in 17 states sold $173,577,069 of these bonds but suffered a net loss of $116,544,205 because the interest rate is to be paid on the entire amount of the increase has there been since the turn of the year.

Four things have combined to cause the withdrawal of saving bank deposits, and competition and increase of the money in their vaults:

(1) They have been hit by the sale of defense bonds; (2) they take it out simply to hoard it in the form of bills; or (3) they take it out to hoard com¬
modities, foodstuffs, or clothing or to rush for the remaining refrigerators, radio and other durable goods which can be bought; or (4) they take it out because of silly fears that the Government is going to "confiscate savings," or start forcing them to sell it, or make them mean some dan¬
ger to their existing savings accounts.

Naturally it is impossible for the savings banks to more than the general public, and when the next one of these things happens, they may be forced to take their money out of the vault and asks for his safe-deposit key they can only guess what they are going to hoard cash. The substantial with¬
holding of cash is needed, because the less people want, the more foolishly frightened depositors try to disguise the real motive.

It would be unfortunate if at a time when personal thrift is acutely necessary the machinery of the savings banks should not be employed to the limit.

But the outlook is good, better than the above. A number of objective writers have written about the savings banks, and how interested the public is in their work.

In the first place the Treasury has made it clear that it wants defense bond purchases to be made out of current income, not out of past savings. The reasons for this, and the reasons why the financial literate, cannot be too frequently explained to the public.

There appears little that can be done to prevent the hoarding of money, the reasons for which are obscure to present economic conditions. It is believed that the greatest of German as well as here. A considerable impetus was given by the freezing of foreign funds last Spring. This raised the idea of defense bonds, and the idea has persisted, in part, due to increased payrolls, which are up something over 60% since the war started.

But it is also pretty certain that considerable of it arises from the fact that people do not have the time to go or do other things to endanger deposit accounts. A metropolitan paper recently ran a financial page story with a three-column headline "Compulsory Savings Threatens," and people tore it out and took it in to savings banks to with¬
draw their money, completely misinterpreting the story.

Here also is a place where more explaining should be done by Washington in simple terms to the public.

And the problem is not purely an American problem so far as savings bank withdrawals are concerned. The current retail buying spree is already tapering off because (1) some of the goods are not available, (2) some supplies are full up; (3) some retailers are doing a little rationing themselves, while (4) others have discontinued sales pro¬

Another thing that might be publicised is that the comparison between the yield on defense bonds and on savings accounts has been quite unsatisfactory so far. The average mutual savings deposit now yields about 1.9%. But defense bonds have to be held to nearly six years before the yield equals this. And further, unless the holder cashes in at par, he will lose about 2% on the series E and F bonds, he will be taxed on the entire gain in the tenth or twelfth year in which the bond matures. Maybe there's a little misunderstanding there.

But the best solution of the problem so far has been found by the savings banks themselves in the form of such campaigns as the Drydock's recently organized "Victory Club." Already highly successful, it is an adaptation to war finance of the good old Christmas Club idea. "Members" of the "Club" pledge themselves to regular purchases of defense bonds near this time. The advantages to the savings banks is that they can cash them and convert into defense bonds. Periodically they cash them and convert into defense bonds.

From all angles it appears like an excellent plan.

Friederick D. Underwood And His Times

(Continued from Page 811)

ident. Thus, he rescued the hated initiative with the accumula¬
tion of experience, tact, and practical capacity not other¬
wise obtainable. In 1898, he went to the Milwaukee and Pacific Railroad and was superintendent, and he went to War with that company, and with the Minneapolis, St. Paul, Sault Ste. Marie and Pacific, into which it was merged, be¬
coming general manager, and its field-marshall in the strugghle with the Milwaukee Road. He was a chief step of its location and construction and the contest for traffic that ensued. Every day of that thirteen years experience he was faced with the mystery of many of them were auspicious days of triumph for Mr. Underwood. All the results were highly creditable to the railroading of the Milwaukee Road, which was extensively strengthened and improved in every physical sense and in every detail of its operations under his highly energetic management. Eventually, the brothers M. J. and G. P. Van Sweringen, the oldest of whom was more than thirty years his junior, in the process of consolidating their ephemeral railroad empire, preferred a very capable associate of their earliest adventures in the field as head of the Erie, and Mr. Underwood's service ended with the calendar year 1926, but, in able and active old age, he survived several years, not only both of these companies and the companies of the Rust Belt favoring the empire which they had thought they had founded. While it perhaps cannot be said that in every¬
thing he ranked among the small number of the very greatest of the railroad men of the last generation, he was always thoroughly at home in their company, he saw much of them in daily social and business contact, he was always saluted with admiration for him, as in any degree an unworthy associate or one whose concepts and recommendations could or should be lightly discounted. In the other cases he did both as to different matters and under different conditions, such giants of railroad management and finance as Alexander Mitchell, R. R. French, E. W. Huyett, E. F. Huntington, the first J. P. Morgan, E. H. Harriman, and L. F. Pope, and there was not one of them who did not find him worthy of their steel in competition or of their entire confidence and trust in co-operation.

He was probably the last to survive of the great race of rail¬
road men who exercised managerial authority before there
was an Interstate Commerce Commission and who knew and regretted the days when transportation and its agencies were unchecked and competition was limited only by common consent and by the traffic contracts between the railroads and their traveling and shipping patrons were controlled only by the sound standards of the common law and were free from the control and meddling of third parties without competent experience.

THE FINANCIAL SITUATION

(Continued from First Page)

asserting in effect control of the radio by an agency that we give untinted support to others fighting with us against these common enemies. For most of these peoples allied with us we are very nearly the only source to which they can look for help, so that they can save themselves, which often is pitifully inadequate. We, too, are the main hope as regards ships in which to transport urgently needed supplies to the countries of our allies, which would have perished by now or would very soon be overrun were we to leave them in the lurch. Obviously it would be unwise to permit our allies one by one to be put out of the fighting if anything we can do would prevent it.

Encouraging Our Allies

Naturally, we can best keep or help keep, such armies as those of China, Russia, Britain, Australia, New Zealand and the other nations that have taken an active part in the war, and such delivery must not be neglected, but there are limits of time and quantity—some of them inevitable, some of them imposed by our own shortcomings. Our first duty and our only duty, then, and action toward it, not even the magic of the Churchillean and the Roosevelt oratory can long take the place of deeds, but meanwhile it is important to impress upon the countries of the Allies from South America to China, from Canada to the Indies, be maintained. Not only that, but potentialities—these, however, are not at present—indeed, India, in particular, and elsewhere in Asia—must be cultivated and, particularly, brought to the point of active and effective support of the cause. Japan in the presence of indifferent, often hostile, neighbors, has not found it difficult to overcome a weak British defense in the Far East. In substantially similar circumstances similar results may follow in further Japanese incursions into Asia. A thorough knowledge of the psychological and physical state of trained though it largely is, would present Japan with a different and far more difficult problem. China, too, was once a pacific nation.

Influencing Factors

All these and other similar circumstances the President without doubt had active in mind when preparing his letter, and that is all that is needful, for a strong and definite stand in a number of definite cases is the one way of appreciating the situation. His attitude toward those who have been demanding a fuller report on Pearl Harbor left a good deal to be desired. This naturally, natives have not found it difficult to overcome a weak British defense in the Far East. In substantially similar circumstances similar results may follow in further Japanese incursions into Asia. A thorough knowledge of the psychological and physical state of trained though it largely is, would present Japan with a different and far more difficult problem. China, too, was once a pacific nation.

The State Of Trade

Business activity generally is more than at its recent high levels, with some major industries showing slightly weekly set and some showing no change. Some industries budget projections will be affected, and the operation of the war is very likely to be affected, and this will be particularly noticeable in the near future. The situation is very much the same as it was last week. A number of points in any event must more pertinent to the actualities facing some of our allies than to our situation.

It may be, although it is not certainly, true that such considerations are responsible for omissions which could not have been failed to disappoint those who had hoped for better results, but the matter is hardly of first rate im- portance in comparison with certain domestic difficulties which threaten very definitely to hamper defense production. The new plant, while representing an estimated drop in production, is a step toward better conditions, and their relationship is in their very nature the President's responsibility. It may or may not have been wise to ignore them in this particular instance. The broad picture is that we can not expect for not dealing with them effectively and without delay.

One of these, probably the most pressing of them, has to do with the 20-cent increase in the price of petroleum announced by his address on Monday evening, as a number of previous occasions, strongly insisted that there be no interruption of work in any defense plant, but this obviously is not expected to do away with production altogether or any appreciable portion of it. The increases, which are not very appreciable rise on an increasing scale; really because there are certain troublesome issues open in the current labor situation which the Administration has consistently opposed. One of these, as everyone knows, is the old, old question of the so-called closed shop. Another is the matter of rising wages. A third has to do with union discipline. There is a multiplicity of boards and agencies established to prevent work interrup- tion, and the President himself in his statement indicated that the labor situation will be handled or must be handled with care. Those who most need such a consideration, and in fact it is too late to handle, are not only the needful in government circles. Plainly, it is highly desirable, not so any union that will purport to be public in positive terms a definite policy to guide its assistants and associates—and the public for that matter—in the individual cases involving such questions, which are constant. The public, however, are not too "outlaw" strikes, now plainly, strongly sug- gest action such as President Wilson took during the first months of the present headlong race toward events, more potent action than any yet taken by the present Administration appears absolutely essential and urgent.

Right of Way For Defense

There is another matter I understand has all along been a serious burden upon our defense program. It is in no less so now, and the time has come when we can no longer afford such a handicap. It is the unavailability of both the Administration and certain groups in Congress to side-track "reform" and subsidy policies in order to give defense full right of way. This attitude is troublesome enough when it is known and understood, as it is, when it is nothing more than an attempt to water down the concept of "full rights" for defense. It may be evi- dent even worse when it clearly and slyly tackles otherwise clear and even essential measures. These predictions of the Administration, and the adherence of the situation, indeed, in which nearly all its proposals are sus- spect in the minds of large sections of the people. Such a perversion of a genuine national principle to servile and weak purposes, however, is it, but one which the President—but no one else—could quickly remedy if he would. Such action on his part would have a serious impact on the public generally and would have realized to smooth the way for maximum effectiveness in the future.

We think the President would be well advised, now that he has delivered his message to the world, to apply himself without delay to these two sets of problems, to take such definite decisions and take vigorous and constructive action regarding them, which, if he thought wise, he could announce in a "fireside chat" for home consumption.

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United Nations Will Soon Take Offensive

Says President In Address To Nation

President Roosevelt told the American people in a radio address on Feb. 23 that they must realize that the war will continue to the end, no matter how long, and make the final peace. While suffered from Hitler's policy of aggression, he declared that there is no longer any question of the "turn of the title," the President added, but rather of the necessity of the United Nations to go "directly to the doorstep of the Japanese Home Islands" and "prepare to win the final victory.

The President further disclosed that, in spite of transportation difficulties, "all the guns and bombs and planes, man and machine, that we can produce, will be engaged in daily contact with the enemy," and that, "as we go on, thousands of civilization in daily life and tens of thousands of lives will be lost in battle.

In his talk the President also touched on the consequences of the attack on Hiroshima. "We have been told that these are the only war losses of which we are aware. We have been told that these are the only war losses that are being suffered before. Indeed, the President said, in the House of Representatives, "there is no one who has been able to explain to me the reason why the United Nations have not gone ahead, as we have, with the war, and as we have in the past.

For years, Gen. Wash¬ington and his staff had been faced continually with formidable obstacles in the way of supplying troops for the war. These included a vast amount of equipment and supplies, and the vast amount of men, officers, non-commissioned officers, and the urgent need for men, to mention only a few of the obstacles. The President promised the American people that the "long and arduous struggle" was over, but that the "long and arduous struggle" is over, that we have now reached the point where we can win the war, and that we must win the war, and that we must not falter in our efforts to bring about the final victory.

Washington's conduct in those opening months of the war was a model for all Americans ever since. He held to his course, as President, and guided the nation through the Declaration of Independence. His and the brave men who served in the war had no life or fortune to secure, with their lives or their bodies, for the preservation of the Colonies.

Washington's great struggle has taught us today that freedom of person and security of property are two things that must depend upon the security of the army, the safety of the lives, and the safety of the liberty everywhere in the world.

This is a new kind of war. It is different from all other wars in the past, not only in its methods and weapons but also in what we can claim to be a victory, even if, in terms of every continent, every island, every sea, every air lane in the world.

That is the reason why I have asked you to take out and study the maps before you and to put yourself in the shoes of the President who said, "The President declared that we must know our maps before we can go to a war.

The President's address to the American people in a radio address on Feb. 23, was designed to give the President full credit for what he said. The President's address was designed to give the American people full credit for what he said.

It is obvious what would happen if the enemy were cut off from all their bases, and from the places where they would be able to secure what they need to carry on the war. It is obvious what would happen if the enemy were cut off from all their bases, and from the places where they would be able to secure what they need to carry on the war.

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War of Seriousness of Rubber Shortage

Donald M. Nelson, Chairman of the War Production Board, and Jesse H. Jones, Secretary of Commerce, in a joint statement issued on Feb. 16 that "unfortunately we recognize the rubber to the barest essentials, we shall not be able to meet any military requirement during the next year.

Saying it is important that the citizens understand the rubber situation, the statement explained that rubber is now being called for an absolute military necessity and our "rubber situation is worse than we have stated on it. The statement of Mr. Jones and Mr. Nelson follows:

It is extremely important that every citizen understand our situation.

We cannot win the war unless our military forces have an adequate supply of rubber. If rubber is needed for our fighting forces, our tanks can't move, our field guns can't operate, our warplanes can't fly.

It is perfectly true that we have in the United States today a large stockpile of crude rubber. It is also true that more rubber is coming in. In addition, we have started a program to make synthetic rubber which we will eventually give us a substantial additional supply.

Fighting with the Japs is now secured for rubber, for all purposes, as it comes from. In fact, the Malay Peninsula, the largest part of which is in the hands of the Japanese, is now producing rubber for our armed forces. We have to drive them out before we can get any rubber from that area.

There are only today plus the rubber that is on its way and in the rubber we shall eventually make in our new factories is all the new rubber we can count on at this time.

There is about enough to enable us to continue our great armament program—but there is not going to be any surplus. We dare not waste any.

So we have made our choice.

We go on that we can use rubber for our tanks, planes, guns and warships and war plants only.

We shall not use rubber for any purpose other than war.

We have to have rubber for our military forces if we are to win the war. The rubber that we have is used exclusively for our military purposes. The rubber that is coming in, in addition to the rubber that we have, is also being used exclusively for our military purposes.

Washington's Little Army of Rubber Tackles the Japs

Washington's little army of rubber, now expected to reach 100,000,000 by the end of this year, is scheduled to be in full operation early in 1943. The rubber is produced in the United States and is used for making rubber products for the armed forces. The rubber is produced by the United States government for the armed forces.

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Petroleum And Its Products

The threatened shortage of fuel oils on the East Coast was strikingly highlighted in the week-end appeal by W. S. Parish, President of the Standard Oil Co. of New Jersey, urging immediate action to avoid a national famine of fuel. The problems involved in securing adequate supplies of crude petroleum to meet the demands of the country are discussed in relation to the Atlantic Coast situation.

We are in desperate need of oil. The oil-consuming industries of this country, particularly the heating oil and Bunker C oil and No. 6 fuel demanders, are already feeling the pinch. We ask the public to use less oil. We ask the public to use less oil not because we want to cut corners or economize. The public must recognize that we cannot continue to use oil at the rates at which we are used to using it. We must use less oil, not because we want to, but because we must. The public must recognize that we cannot continue to use oil at the rates at which we are used to using it.

The report of the Petroleum Board, which was presented to the President by Mr. Parish, is a comprehensive statement of the situation. The report points out that the demand for fuel oils has increased sharply in recent years, and that the supply of crude petroleum has not kept pace with this increase. The report warns that if the trend continues, there is a real danger of a national shortage of fuel oils within the next few months. The report recommends that steps be taken to increase the supply of crude petroleum, and that efforts be made to reduce the demand for fuel oils.

The report also states that the price of fuel oils has been rising steadily in recent months, and that this trend is likely to continue. The report warns that if the price of fuel oils continues to rise, it will have a serious effect on the economy of the country. The report recommends that efforts be made to stabilize the price of fuel oils, and that steps be taken to reduce the demand for fuel oils.

The report of the Petroleum Board is a clear and concise statement of the situation. It is a matter of serious concern, and the public must take steps to ensure that the situation does not get worse.
**Statutory Debt Limitation As of Jan. 31, 1942**

The Treasury Department made public on Feb. 4 its monthly report showing the face amount of public debt obligations issued under authority of that Act as of Jan. 31, 1942, totaled $61,865,920,000 thus leaving the face amount of debt obligations that can be issued under that Act, a statutory debt limitation at $81,914,704,743. In another report in the Treasury indicates that from the total face amount outstanding public debt obligations of $100,897,302,409 should be deducted $1,741,602,023 (the unsecured discount on savings bonds), resulting in a total debt of $99,155,698,386. This figure added $576,947,117, the other public debt obligations outstanding, which however, are not subject to the statutory debt limitation. Thus the total gross public debt outstanding on Jan. 31 is shown as $60,011,579,351.

The following is the Treasury's report as of Jan. 31:

**Statutory Debt Limitation as of Jan. 31, 1942**

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act, "shall not exceed in the aggregate $65,000,000,000 outstanding at any one time."

The following table shows the face amount of obligations outstanding and the face amount which can still be issued under this limitation:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total gross debt</th>
<th>Amount which can still be issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>1939</td>
<td>$60,011,579,351</td>
<td>$1,166,050,596</td>
</tr>
</tbody>
</table>

**1941 Automobile Financing Higher**

The dollar volume of retail automobile finance in December, 1941 was 35.5% less than in December, 1940, 12.9% less than in December 1939, and 9.8% more than in November, 1941, according to an announcement released Feb. 14 by J. C. Capper, Director of the Census. Whole sales financing was 21.9% less in December, 1940, 10.2% more than in December, 1939, and 12.5% higher in November, 1941. Retail automobile receivables outstanding on Dec. 31 for 214 firms was reduced by 5.1% since Nov. 30, of this year. These 214 organizations accounted for the 94.5% of the total dollar amount of retail financing needed for December for 400 organizations.

The total number of new and used cars financed in 1941 was 8.4% higher than in 1940, and 31.6% higher than in 1939. The dollar volume of receivables outstanding in December, 1941, 10.2% more than in December, 1939, and 12.5% higher than in November, 1941. The average face of the financing of new cars increased by 7.5% over 1940, and 12.9% over 1939. The average face for used cars increased by 10.3% and 15.5%, respectively.

The table below presents statistics on wholesale and retail financing for 400 firms with monthly figures for 1941, and total figures for the entire year. Figures of automobile financial activity for the month of November, 1941, were published in the Jan. 22, 1942 issue of the "Chronicle," page 340.

**January Chain Store Sales At $358,619,062**

According to a compilation made by Merrill Lynch, Pierce, Fenner & Beane, 38 chain store companies, including two mail-order houses, reported a January sales volume of $358,619,062, in January, 1942, sales at all 36 groups benefited substantially from the month's general buying wave, companies concentrating on apparel lines and hardware.

In the aggregate, sales of a six-months' volume, companies were 48.5% higher than for December, 1941, and 1941, with Bond Stores, Inc. having made the extreme individual gain of 98.5%, second to a 91.6% increase for the Mortgage Corporation of America, consumer purchases, as governmental orders restricted new production, and market made up by this wave. The sales at six of those five chains were 48.7% in excess of those for January, 1941, with the balance by 33.7%. The rate of sales improvement, accomplished by the two mail-order houses, is 12.7% less that for the chain store group as a whole, as that of the 15 chains in each of the two groups, there are two groups, had led the procession. The compilation follows:

<table>
<thead>
<tr>
<th>Chain</th>
<th>Month of January</th>
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<tbody>
<tr>
<td>1</td>
<td>$35,219,023</td>
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<td>2</td>
<td>$28,394,073</td>
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<tr>
<td>3</td>
<td>$4,498,573</td>
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<td>$5,385,003</td>
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</table>

**Small Business Division In War Production**

Favored; Murray & Sabath Bills Introduced

A bill proposing an amendment to the Reconstruction Finance Corporation (RFC) that would enable small business firms engaged in any phase of war production, was introduced in the House on Feb. 17 by Representative Sabath (Democrat, of New York), the chairman of the House War Production and Mobilization Committee. RFC, which was established in 1932 by the Small Business Administration Act, to help the business, has been limited primarily to large business concerns. Murray's proposal is aimed at making it easier for small business to compete in the war effort. The bill provides for the establishment of a Small Business Division within the RFC, which would be authorized to make loans to small businesses engaged in war production. The division would also be empowered to provide technical assistance and management training to small businesses. Small Business Administration, under the chairmanship of Arthur Sakura, has been working to help small business during the war, but the Murray bill would give the RFC broader powers to assist small businesses. The RFC, established in 1932, has been primarily concerned with the rehabilitation of small business, but the Murray bill would provide it with the resources to help small businesses cope with the demands of war production. The bill was introduced by Representative Murray (Democrat, of New York), the chairman of the House War Production and Mobilization Committee.

**Congressman Sabath said that small business is more important in the war effort than the average person realizes and that the current limitations at his bill to evidence that small businesses are handicapped in their efforts to complete war contracts. Early in the month of February, Mr. Murray (Democrat, of New York), the chairman of the House War Production and Mobilization Committee, introduced a bill to create a Small Business Division within the RFC. The bill was modelled on the Murray bill, which was introduced in the House in February, 1942. The bill proposed to amend the RFC, which was established in 1932 by the Small Business Administration Act, to help the business, has been limited primarily to large business concerns. Murray's proposal is aimed at making it easier for small business to compete in the war effort. The bill provides for the establishment of a Small Business Division within the RFC, which would be authorized to make loans to small businesses engaged in war production. The division would also be empowered to provide technical assistance and management training to small businesses. Small Business Administration, under the chairmanship of Arthur Sakura, has been working to help small business during the war, but the Murray bill would give the RFC broader powers to assist small businesses. The RFC, established in 1932, has been primarily concerned with the rehabilitation of small business, but the Murray bill would provide it with the resources to help small businesses cope with the demands of war production. The bill was introduced by Representative Murray (Democrat, of New York), the chairman of the House War Production and Mobilization Committee.

**New Cotton Exch. Member**

At a meeting of the Board of Managers of the New York Cotton Exchange, Thursday, Feb. 12, 1942, a new member was elected to membership in the Exchange. Mr. Ker is a member of the New Orleans Cotton Exchange.
Factory Employment Lower In January Except In Defense Industries, Payrolls Higher

Number of persons employed dropped 1.5% between the middle of January and the middle of February. In the middle of February, 1927, 8.57 million were employed; in the middle of February, 1926, 8.66 million. The larger reduction occurred in the personnel of establishments of all sizes. Figures reported by the National Industrial Conference Board, which are the latest covering all wage-earners in manufacturing, showed that the average for all manufacturing industries was 1.4% lower. In the large plants, 500 or over, employment was 1.1% lower; in the medium plants, 100 to 499, 1.6% lower; and in the small plants, 99 or under, 1.5% lower.

In January, the Federal Reserve System estimated that the price level of all wage-earners decreased 0.3% due to a 2.1% decrease in the cost of living index, resulting in real earnings being 1.8% higher than a year ago.

Partial Data on Consumer Prices

In January, the Consumer Price Index of the U.S. Bureau of Labor Statistics increased 0.5% from December, 1940, to January, 1941. The index, which measures changes in the prices of goods and services purchased by urban wage earners and clerical workers, increased 14.1% in the last 12 months.

U.S. Labor Department Reports On Factory Workers' Hours and Earnings in December

Average hourly earnings of factory workers advanced 0.8% from December to January, according to the Department of Labor. Secretary of Labor Frances Perkins reported on Feb. 11. "This rise resulted partly from increased overtime and partly from an increase in average hours in some of the defense industries. The average for all manufacturing industries was 0.4% lower." In the defense industries, the average was 1.2% lower.

While a larger number of reports were available for January than for December, the general trend of the data was the same as reported by the Secretary of Labor. Employments in December reached a peak for the year, while in January they were slightly below December, 1940. Hourly earnings were higher at hourly earnings increased over the year.

Each of the three branches of public utilities showed increases in average hourly earnings; and hourly earnings rose in a number of industries. In the lumber, stone, clay and glass industries, the average hourly earnings were as follows:

Favors Full Time Work On Holidays For Duration

In accordance with the terms of War Production Board and the workers' union agreements, practically all shops and factories producing war goods have worked full time on Washington's birthday. The work force on Monday 23 is likely that this policy will also be observed on future holidays.

Mr. McNutt made his request for a national holiday policy in a statement issued on Saturday, Feb. 14. "I believe that the country is fighting for its life," he said, "if we lose the battle of production, we lose the war." The statement was as follows:

Mtg. Bankers To Meet

The principal speakers at the first 1942 Conference and Mort-gage Bankers Association of America, will be held at the Hotel Pennsylvania, New York City, Thursday, April 21. Speaking engagements include 

- Federal Home Loan Bank System.
- Federal Home Loan Bank System.
- Federal Home Loan Bank System.
- Federal Home Loan Bank System.
January Department Store Sales in New York

*Federal Reserve District 35% Above Year Ago*

Sales of department stores in the Second (New York) Federal Reserve District increased 6% over December 1940, as compared with a year ago, according to an announcement issued Feb. 19 by the Federal Reserve Bank of New York. Stocks of merchandise on hand at the end of December were 23% more than those on hand at the end of January, 1941.

The largest increase in the New York City district reported a gain of 26% in net sales in January as compared with a year ago, while stores' stock on hand at the month's end was 23% above a year ago.

The following is the bank's tabulation:

<table>
<thead>
<tr>
<th>Department store</th>
<th>Net Sales</th>
<th>Sales (average daily), unadjusted</th>
<th>Sales (average daily), seasonally adjusted</th>
<th>Stocks, seasonally adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allyn</td>
<td>280,400</td>
<td>1,040</td>
<td>1,040</td>
<td>120</td>
</tr>
<tr>
<td>B. Altman &amp; Co.</td>
<td>341,000</td>
<td>1,130</td>
<td>1,130</td>
<td>130</td>
</tr>
<tr>
<td>Bonwit Teller</td>
<td>253,000</td>
<td>840</td>
<td>840</td>
<td>105</td>
</tr>
<tr>
<td>Bonwit Teller</td>
<td>213,400</td>
<td>712</td>
<td>712</td>
<td>100</td>
</tr>
<tr>
<td>Bonwit Teller</td>
<td>253,000</td>
<td>840</td>
<td>840</td>
<td>105</td>
</tr>
<tr>
<td>Bonwit Teller</td>
<td>213,400</td>
<td>712</td>
<td>712</td>
<td>100</td>
</tr>
<tr>
<td>Bonwit Teller</td>
<td>253,000</td>
<td>840</td>
<td>840</td>
<td>105</td>
</tr>
<tr>
<td>Bonwit Teller</td>
<td>213,400</td>
<td>712</td>
<td>712</td>
<td>100</td>
</tr>
<tr>
<td>Bonwit Teller</td>
<td>253,000</td>
<td>840</td>
<td>840</td>
<td>105</td>
</tr>
<tr>
<td>Bonwit Teller</td>
<td>213,400</td>
<td>712</td>
<td>712</td>
<td>100</td>
</tr>
</tbody>
</table>

*Commercial Paper Outstanding*

The Federal Reserve Bank of New York announced on Feb. 11 that $81,818,160 received by the banks from expedited sales of commercial paper are shown on a $100,000,000 open market paper outstanding on Dec. 31, 1940, and with $223,400,000 on Jan. 31, 1941.

In the following table we give a compilation of the monthly figures for two years:

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>280,400,000</td>
<td>332,400,000</td>
<td>296,400,000</td>
<td>360,800,000</td>
<td>370,800,000</td>
<td>370,800,000</td>
<td>380,000,000</td>
<td>380,000,000</td>
<td>380,000,000</td>
<td>380,000,000</td>
<td>380,000,000</td>
<td>380,000,000</td>
</tr>
<tr>
<td>Sales (average daily), unadjusted</td>
<td>1,040</td>
<td>1,130</td>
<td>1,040</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
</tr>
<tr>
<td>Sales (average daily), seasonally adjusted</td>
<td>1,040</td>
<td>1,130</td>
<td>1,040</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
<td>1,130</td>
</tr>
<tr>
<td>Stocks, seasonally adjusted</td>
<td>110</td>
<td>110</td>
<td>110</td>
<td>110</td>
<td>110</td>
<td>110</td>
<td>110</td>
<td>110</td>
<td>110</td>
<td>110</td>
<td>110</td>
<td>110</td>
</tr>
</tbody>
</table>

**FDIC Income For 1941 Largest On Record**

Income of the Federal Deposit Insurance Corporation for the year ended Dec. 31, 1941, was $624,435,744, the largest for any such period since the inception of the corporation in 1933. The report issued by Leo T. Crowley, Chairman of the FDIC, is its report as of Dec. 31, 1941. Chairperson Crowley said that the surplus of the corporation amounted to $264,199,903, which exceeds the $262,489,833 total assessments paid by insured banks since the beginning of Federal deposit insurance. Other features of the report are as follows:

1. To Dec. 31, 1941, the corporation disbursed a total of $259,982,879 to all insured banks in settlement of their claims. Of this amount the corporation expects to recover $213,369,169.62, or about 82%.
2. During 1941 there were 15 insured banks that closed or re¬ceivables and the corporation, bringing to 279 the number of insured banks liquidated or merged with FDIC aid from the beginning of deposit insurance. Only 2,920 of the 1,205,000 depositors of these banks have been admitted to the protected Corporation.
3. There was a net reduction of 13 in the number of operating insured banks during 1941, 86 banks being eliminated during the year while 73 banks were admitted to insurance.
4. The FDIC's Board of Directors reported relating to the activities of the corporation for the six months ended Dec. 31, 1941, with additional information pertaining to operations during the last quarter of the year. The corporation is as follows:

   **Operations**
   - The income of the corporation amounted to $308,000,729 for the six months ended Dec. 31, 1941, including $258,462,513 paid by insured banks and interest earned, after deducting provision for amortization of securities, of $5,565,779.
   - Expenses and losses during the period amounted to $2,715,606, of which $261,725 represented deposit insurance losses and an estimated $18,000 net loss to be charged against other charges.
   - Income for the year ended Dec. 31, 1941, amounted to $852,138,327, compared with $528,000,752 paid by insured banks and $10,184,467 in interest and other income. Total expenses and losses for the year amounted to $5,360,478, represented by deposit insurance losses and expenses of $2,415,262, and administrative expenses and other charges of $2,945,217.
Highest January Steel Output on Record

Steel production during January established a new record for that month of 7,129,351 net tons of open hearth, Bessemer and electric steel ingots and blooms, coke oven carloadings, and Steel Institute announced February 17.

The steel industry operated at an average of 94.7% of capacity during January. This figure is based on the revised annual production capacity of 86 million tons as of Jan. 1, 1941, which represented an increase of 4,418,000 net tons over annual capacity of 7,681,000 tons as of Jan. 1, 1940, and an increase of 2,427,000 tons over the figure for July 1, 1941.

Last month’s operating rate compares with a rate of 96.9% for January, 1941, computed on the basis of the previous year’s annual capacity. For the same year, and that with a rate of 86.1% for December, 1941, computed on the basis of the annual capacity as of July 1, 1941.

Steel output averaged 1,060,334 tons per week in January, compared with 1,620,614 tons per week in December, and with 1,563,902 tons per week in January of 1941.

PRODUCTION OF OPEN HEARTH, BESSEMER AND ELECTRIC STEEL INGOTS AND BLOOMS-

<table>
<thead>
<tr>
<th>Period</th>
<th>Net tons</th>
<th>Capacity</th>
<th>Monthly average</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>7,129,351</td>
<td>94.7%</td>
<td>238,517</td>
</tr>
</tbody>
</table>

Cuba Will Diversify

Despite the recently improved demand for Cuban sugar as a result of increased imports, diversification of its agriculture remains the central point in the nation’s agricultural policy and results of increasing the production of Cuban agriculture by Dr. P. N. Miranda, the former Director of Agriculture.

The survey which forms the basis of the report, issue of “Foreign Agriculture,” monthly publication by the Office of Foreign Agricultural Relations, points out the distress conditions existing in Cuba for at least 15 or 13 years caused Cuban agriculture to suffer from the production of other products, both for domestic use and export.

The principal agricultural product, tobacco has long constituted an important item in the nation’s economy. Dr. Minneman is quoted as saying, “The policy of diversification has been implemented by Government through a variety of measures, such as higher tariffs, loans for equipment to growers and processors, and fixed prices. As a result of these policies, Cuba has diversified its agriculture, its export basis, not only for sugar but also for coffee, cotton, tobacco, fruits, vegetables, henequen, coffee, beer, hogs and hides, and dairy products. This has led to a better and more sufficient in the production of eggs of larger eggs.

Negotiating Loan

From France, the Steering Committees, under date of Feb. 25, the New York “Times” reported the following news:

President Tiribuzo Carlos Andino of Paraguay has been summoned by the Congress to negotiate a loan from the United States. Despite the fact that Andino had stood against debts of the country, he agrees to the conditions and to increase defense production.

Presumably this loan will be in addition to the money that is expected to be allowed for the further development of the Inter-American Highway.

January Steel Shipments Reach New High

Shipments of finished steel products by subsidiary companies of the United States Steel Corporation for the month of January, 1941, totaled 8,458,800 net tons.

The January shipments compare with 1,846,036 net tons in the preceding month (December), a decrease of 107,143 net tons, and with 1,662,484 net tons in the corresponding month in 1941 (Jauary), an increase of 58,639 net tons.

In the table below see list the figures by months for various periods since January, 1929:

<table>
<thead>
<tr>
<th>Period</th>
<th>Net tons</th>
<th>Capacity</th>
<th>Monthly average</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1941</td>
<td>1,846,036</td>
<td>107,143</td>
<td>107,143</td>
</tr>
</tbody>
</table>

Livestock

In Large Cities Advanced 0.3% in December; Smallest Increase in Months

“The advance of 0.3% in living costs in large cities in December was the smallest increase in any month since March,” Secretary of Agriculture P. B. F. Hall announced. “In general, the price of food grains and vegetables has been stable during the month, and the prices of a few important foods reduced by the total family food bill sufficiently to offset advances in other food prices,” she said.

“Housefurnishings and clothing rose sharply between Nov. 15 and Dec. 15, however, and increases in rent, fuel and miscellaneous goods and services also contributed to the advance.” In the previous month living costs advanced 0.4%—the largest increase recorded during a single month since the 2.2% in December, 1939, and 1.2% in December, 1938. As in the December, 1938, living costs were increased during the month by higher cost of food grains and vegetables and other food items. The most significant rise was in the cost of meat, which advanced 2.5% and was the largest increase in any month in the history of the Bureau of Labor Statistics.

“Greater advances were made in rent, fuel and electric lights, and other miscellaneous goods and services, which contributed 0.4%, 0.4% and 0.2% respectively to the total increase for the month,” she said. “Of greater consequence, however, were the advances in the cost of clothing and housefurnishings, which contributed 0.2% and 0.2%, respectively, to the total increase for the month.”

The Bureau of Labor Statistics has been reporting the cost of living series since 1913. The most important increases in the cost of living since the war began have been in rent, food, clothing and housefurnishings.

Changes in November from December differed widely from those in the preceding month. The total increase of about 0.3% in December was the smallest increase in any month since the Bureau of Labor Statistics began its surveys in 1913-14.

Over the last quarter the increase in the total rent bill averaged 0.4% in the largest cities, and 0.3% in the medium cities. The greatest increases occurred in Southern cities, with the largest decreases in the Northern cities.
Retail Food Prices advanced 2.7% Further Between Mid-December and Mid-January

Sharp advances at retail for many foods advanced the family cost of living. Between Dec. 16 and Jan. 13, 1941, Acting Commissioner Hurst of the Bureau of Labor Statistics reports that all important foods were substantially higher in all of the cities covered by the surveys. Large increases for pork, potatoes, bread, milk, and manufactured goods; a moderate advance for raw materials, including wheat, and a decided advance for vegetables and fruits, says the Bureau, which likewise reports that in its national surveys food prices declined seasonally. At the mid-January level, the Bureau of Labor Statistics' index of retail prices stood at 198.7, 5.9% above the average, the highest level reached since December, 1930, 18.8% higher than a year ago, and nearly 25% above pre-war levels.

The Bureau comments on further retail advances:

During the last half of January, preliminary reports indicate that the advanced food prices, except for eggs, oranges, and pork chops, which declined seasonally.

The average price of sugar in retail stores advanced 36c between Dec. 16 and Jan., largely because in small quantities, usually two pounds, were available in cities where purchases were limited voluntarily by retailers, and the charge per pound was higher.

Retail prices of milk advanced 1.4 cent per quart in six cities, continuing the widespread increases which have been taking place since last April. White bread rose 1.5% during the month, following advances of about one cent per loaf. Coffee set past six months in nearly all cities covered by this survey. Meat prices rose sharply (4.8%) throughout the country between mid-December and mid-January in spite of the fact that supplies of beef and mutton were larger than a year ago. This advance in retail prices followed rapid rise in markets between Dec. 7 and early January. Retail prices of lamb and calf were advanced, largely because of the generally higher levels of wholesale prices. All fruits, including apples, pears, oranges, and the citrus fruits, advanced, as did the prices of sugar, coffee, and tea, continuing the generally high levels.

Larger countries covered their widespread advance between mid-December and mid-January. Other foodstuffs, such as canned peaches, canned tomatoes, navy beans, and cheese, which have been available in all cities surveyed by the Bureau, have continued to advance in most cities, although evaporated milk remained stable in the major cities. Coffee, canned peaches, and canned tomatoes are widely available in the figures. In most cities, the wholesale price of canned peaches continued to advance, and the price of canned tomatoes advanced from a low level.

Chains of fresh vegetables have shown the most rapid advance of any of the principal foodstuffs. They averaged in mid-January a rise of 11.4% for the year, rising to 3.3% for the season. Prices of fresh vegetables as a result of bad weather conditions during the growing season and the shortage of supplies continued to advance during the month. In central markets, the price of rice continued to go up.

Retail prices of fresh vegetables and fruits have shown the most rapid advance of any of the principal foodstuffs. They averaged in mid-January a rise of 11.4% for the year, rising to 3.3% for the season. Prices of fresh vegetables as a result of bad weather conditions during the growing season and the shortage of supplies continued to advance during the month. In central markets, the price of rice continued to go up.

Changes in wholesale prices are available from the Bureau's Bulletin, Retail Food Discounters, which is issued monthly.

TABLE 2

<table>
<thead>
<tr>
<th>Area and City</th>
<th>All Food</th>
<th>Clothing</th>
<th>Fuel &amp; Light</th>
<th>Electricity</th>
<th>Rent</th>
<th>Change</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York City, N.Y.</td>
<td>5.0</td>
<td>0.1</td>
<td>0.2</td>
<td>0.6</td>
<td>0.1</td>
<td>0.5</td>
<td>11.1</td>
</tr>
<tr>
<td>Boston, Mass.</td>
<td>4.9</td>
<td>0.1</td>
<td>0.2</td>
<td>0.6</td>
<td>0.1</td>
<td>0.5</td>
<td>11.1</td>
</tr>
<tr>
<td>Philadelphia, Pa.</td>
<td>4.6</td>
<td>0.1</td>
<td>0.2</td>
<td>0.5</td>
<td>0.1</td>
<td>0.4</td>
<td>10.5</td>
</tr>
<tr>
<td>Baltimore, Md.</td>
<td>4.5</td>
<td>0.1</td>
<td>0.2</td>
<td>0.5</td>
<td>0.1</td>
<td>0.4</td>
<td>10.5</td>
</tr>
<tr>
<td>Washington, D. C.</td>
<td>4.6</td>
<td>0.1</td>
<td>0.2</td>
<td>0.5</td>
<td>0.1</td>
<td>0.4</td>
<td>10.5</td>
</tr>
<tr>
<td>St. Louis, Mo.</td>
<td>4.5</td>
<td>0.1</td>
<td>0.2</td>
<td>0.5</td>
<td>0.1</td>
<td>0.4</td>
<td>10.5</td>
</tr>
<tr>
<td>Chicago, Ill.</td>
<td>4.4</td>
<td>0.1</td>
<td>0.2</td>
<td>0.4</td>
<td>0.1</td>
<td>0.3</td>
<td>10.0</td>
</tr>
<tr>
<td>Cleveland, Ohio</td>
<td>4.4</td>
<td>0.1</td>
<td>0.2</td>
<td>0.4</td>
<td>0.1</td>
<td>0.3</td>
<td>10.0</td>
</tr>
<tr>
<td>Milwaukee, Wis.</td>
<td>4.3</td>
<td>0.1</td>
<td>0.2</td>
<td>0.4</td>
<td>0.1</td>
<td>0.3</td>
<td>10.0</td>
</tr>
<tr>
<td>St. Paul, Minn.</td>
<td>4.5</td>
<td>0.1</td>
<td>0.2</td>
<td>0.5</td>
<td>0.1</td>
<td>0.4</td>
<td>10.5</td>
</tr>
<tr>
<td>Kansas City, Mo.</td>
<td>4.5</td>
<td>0.1</td>
<td>0.2</td>
<td>0.5</td>
<td>0.1</td>
<td>0.4</td>
<td>10.5</td>
</tr>
<tr>
<td>Salt Lake City, Utah</td>
<td>4.3</td>
<td>0.1</td>
<td>0.2</td>
<td>0.4</td>
<td>0.1</td>
<td>0.3</td>
<td>10.0</td>
</tr>
<tr>
<td>Portland, Ore.</td>
<td>4.3</td>
<td>0.1</td>
<td>0.2</td>
<td>0.4</td>
<td>0.1</td>
<td>0.3</td>
<td>10.0</td>
</tr>
<tr>
<td>Seattle, Wash.</td>
<td>4.4</td>
<td>0.1</td>
<td>0.2</td>
<td>0.5</td>
<td>0.1</td>
<td>0.4</td>
<td>10.5</td>
</tr>
</tbody>
</table>

Table 2 shows the changes in percentage of the cost of living in the United States between mid-December and mid-January, 1941.

S. F. Papers Raise Price Under date of Feb. 16 United States Bonds

San Francisco's two morning newspapers, The Chronicle and The Examiner, have announced that their morning editions will cost 10 to 12 cents, effective Feb. 22. Morning editions will not be affected. The Chronicle attributed the price increase to higher cost of materials and labor.
Non-Agricultural Employment At All-Time High In December, Labor Department Reports

Total civil non-agricultural employment rose to a new all-time high in December, the Labor Department said today, Secretary of Labor Perkins reports. "This," he said, "pushes the min. of 5,300,000 non-agricultural workers over the preceding year and 5,600,000 over December, 1929, and represents a more rapid increase than ever before." The gain in employment was due to an increase of 14,393,000 from the 1929 level of 30,936,000, a 43.9% of the 1929 average from 128.6% in December. With capacity of general business and increased demand for labor and the continued financing of the building of additional offices, the December figures are too high, where materials are available.

"In many areas creation of additional housing units is essential to military zones," Mr. Perkins pointed out. "Adequate housing being required in the construction of housing units." The construction of new homes using Title VI of the National Housing Act to 3047,000,000,000. The December figures are continued financing of the building of additional offices, the December figures are too high, where materials are available.

The gain of 537,000 in trade employment over the month represented the usual seasonal change from the high November level and reflected the hiring of temporary personnel to handle the holiday trade. Government employment rose by 73,000, or 0.6%, large part, due to temporary expansion of post office personal.

Manufacturing employment in December showed a decline of less than 1% from last month's all-time high, and three fourths of all manufacturing made a gain in employment. The decline of 33,000 factory workers was largely by a sharp reduction in the automobile and truck building industries, passenger car production was cut during the latter part of December, the end of the season and the automakers are reducing their work force. These losses were partly offset by gains in war industries and by a sharp rise in employment in slaughtering and packing of meats. Employment in the durable goods industries also continued to report marked increases because of the seasonal rise in trade. The gain of 537,000 in trade employment over the month represented the usual seasonal change from the high November level and reflected the hiring of temporary personnel to handle the holiday trade. Government employment rose by 73,000, or 0.6%, large part, due to temporary expansion of post office personal.

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### ESTIMATES OF TOTAL NON-AGRICULTURAL EMPLOYMENT

<table>
<thead>
<tr>
<th>Industry</th>
<th>1939</th>
<th>1941</th>
<th>Change from 1939</th>
<th>Pay Rolls from 1939</th>
<th>Pay Rolls from 1941</th>
<th>Change from 1939</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total non-agricultural employment</td>
<td>49,749</td>
<td>61,161</td>
<td>11,412</td>
<td>1,779</td>
<td>1,467</td>
<td>312</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>28,701</td>
<td>30,655</td>
<td>1,954</td>
<td>2,386</td>
<td>432</td>
<td>544</td>
</tr>
<tr>
<td>Mining/Quarrying</td>
<td>13,276</td>
<td>14,111</td>
<td>835</td>
<td>1,416</td>
<td>581</td>
<td>646</td>
</tr>
<tr>
<td>Transportation and public utilities</td>
<td>4,297</td>
<td>4,339</td>
<td>42</td>
<td>247</td>
<td>163</td>
<td>183</td>
</tr>
<tr>
<td>Trade</td>
<td>10,879</td>
<td>11,046</td>
<td>267</td>
<td>1,729</td>
<td>1,462</td>
<td>267</td>
</tr>
<tr>
<td>Finance, insurance, and real estate</td>
<td>4,123</td>
<td>4,260</td>
<td>137</td>
<td>634</td>
<td>634</td>
<td>634</td>
</tr>
<tr>
<td>Professional and governmenal</td>
<td>4,131</td>
<td>4,131</td>
<td>0</td>
<td>5,802</td>
<td>5,802</td>
<td>5,802</td>
</tr>
</tbody>
</table>

The estimates of "Total civil non-agricultural employment," given on the first page of the above table, represent the number of persons engaged in gainful work in the United States in non-agricultural industries, excluding military and naval personnel employed on WPA, or other public projects, and enrollees in CCC camps. The series described as "Employees in non-agricultural industries" includes also proprietors and members, self-employed persons, casual workers and persons in domestic service. The estimates of "Employees in agricultural establishments" are shown separately for each of seven major industry groups. Data for the manufacturing and trade groups have been revised to include adjustments to preliminary 1939 Census data.

The figures represent the number of persons working at any time during the current week among the nearest of each group.

The totals for the United States have been adjusted to conform to the rules of the 1939 Census of Occupations for the number of non-agricultural "gainful workers" less the number shown to have been unemployed for one week or more at the Census.

Indexes of employment and pay rolls for all manufacturing industries combined, Class I steam railroads, and for those manufacturing industries for which information is available, are shown below for December, 1941, with percentage changes from November, 1940. The 3-year average 1929-32 is used as a base in computing the indexes for the manufacturing industries. The 3-year average 1929-32 is as a base for Class I steam railroads. For the other manufacturing industries information prior to 1929 is not available from the Bureau's records, and the 12-month average for 1929 is used as a base in computing the index numbers. These indexes are not adjusted for seasonal variations.

The data for manufacturing, mining, building construction, laundries, and dry cleaning cover only those plants and firms whose products cover all employees while the data for water transportation cover employees on vessels of 1,000 gross tons or over. The data on other industries exclude proprietors and firms members, corporation officers, executives, and other employees whose work is mainly supervisory.

### DECEMBER, 1941, INDEXES PRELIMINARY; SUBJECT TO REVISION. ADJUSTED TO PREVIOUS ESTIMATES. Retechnical and Progressive changes made in the computation of the indexes since the previous report.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Pay Rolls</th>
<th>Pay Rolls</th>
<th>Change from Previous Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>133.1</td>
<td>154.7</td>
<td>+21.6</td>
</tr>
<tr>
<td>Durable Goods</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Durable Goods</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### COMMISSIONER OF COMMERCE.

[The Commissioner of Commerce, Waverly Taylor, Houston, Texas, presents the Home Builders Emergency Committee, representing the building industry of the United States, to the Secretary of Commerce, Mr. Houston, President of the Home Buildings Emergency Committee, which, with the National Association of Home Builders, is cooperating in the committee's work.]

Hugh Potter, Houston, Chairman.

William W. Levitt, Manor, N.J., Vice-Chairman.

Herbert G. Nelson, Houston, Secretary.

John M. Morgan, Baltimore, President.

F. Burns, Los Angeles, Vice-President, Los Angeles Chamber of Commerce.

G. B. Schuette, Chicago, Ill., Secretary.


The Committee has offices in Washington.

### THE SSEC BOND

The SEC announced that it had granted the application of the New York Stock Exchange for a temporary order striking the listing and registration of all securities held in the SSEC. The order was effective at 12:01 a.m. on March 27, 1938, and the SSEC was dissolved.

The application stated, among other things, that the SEC had no reason to believe that the SSEC would be able to continue operations for a longer period than its closing date because of the economic difficulties facing the country.

The SSEC was organized in 1929 to provide a market for securities issued by small companies and to enable investors to diversify their portfolios.

### COMMISSIONER OF COMMERCE

The 5-year average 1929-32 is used as a base in computing the indexes for the manufacturing industries. The 3-year average 1929-32 is as a base for Class I steam railroads. For the other manufacturing industries information prior to 1929 is not available from the Bureau's records, and the 12-month average for 1929 is used as a base in computing the index numbers. These indexes are not adjusted for seasonal variations.
Weekly Statistics Of Paperboard Industry

We give herewith latest figures received by us from the National Paperboard Association, Chicago, Ill., in relation to activity in the paperboard trade.

The members of this Association represent 83% of the total industry, and its program includes the production, shipment and sale of all grades and sizes of paper and paperboard, and also a figure which indicates the activity of the mill based on the operation of the machines. These figures are equal to 80% of the total industry.

<table>
<thead>
<tr>
<th>Period</th>
<th>Orders placed</th>
<th>Operating</th>
<th>Son</th>
<th>Past</th>
<th>Gross production</th>
<th>Selling price</th>
<th>Net production</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec'41-30</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
</tr>
<tr>
<td>Nov'41-30</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
</tr>
<tr>
<td>Oct'41-30</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
</tr>
<tr>
<td>Sept'41-30</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
</tr>
<tr>
<td>Aug'41-30</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
</tr>
<tr>
<td>July'41-30</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
</tr>
<tr>
<td>June'41-30</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
</tr>
<tr>
<td>May'41-30</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
</tr>
<tr>
<td>April'41-30</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
</tr>
<tr>
<td>March'41-30</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
</tr>
<tr>
<td>Feb'41-30</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
<td>97,246</td>
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</table>

Lumber Manufacturing Statistics During Four Weeks Ended Jan. 31, 1942

We give herewith data on identical mills for the four weeks ended Jan. 31, 1942, as reported by the National Lumber Manufacturers Association on Feb. 10.

An average of 472 mills report as follows to the National Lumber Trade Barometer for the four weeks ended Jan. 31, 1942:

<table>
<thead>
<tr>
<th>Product</th>
<th>Components</th>
<th>Per Cent Declared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(In 1,000 feet)</th>
<th>1940</th>
<th>1941</th>
<th>1942</th>
<th>1943</th>
<th>1944</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lumber</td>
<td>609,923</td>
<td>591,993</td>
<td>577,433</td>
<td>565,486</td>
<td>557,271</td>
</tr>
<tr>
<td>Hardwoods</td>
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<td>45,139</td>
<td>44,073</td>
<td>43,007</td>
<td>42,007</td>
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<tr>
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<td>637,132</td>
<td>621,506</td>
<td>608,493</td>
<td>600,278</td>
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Cuban Sugar Production

While the Government of Cuba has so far refrained from issuing an emergency decree establishing the amount of sugar to be produced during the present crop year, it has been privately estimated in Cuba that this year's output may be fixed at as high as 3,800,000 Spanish long tons, compared with 3,154,000 Spanish long tons reported for 1941-1942 sugar year, which was the highest output in 26 years.

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<td>621,506</td>
<td>608,493</td>
<td>600,278</td>
</tr>
</tbody>
</table>
Slight Increase in Active Cotton Spindles in January

The Bureau of the Census announced on Feb. 20 that stipend to preliminary figures 24,131,506 cotton spinning spindles were in place in the United States on Jan. 31, 1942, of which 23,067,383 were operated at some time during the month, compared with 23,068,112 for December, 23,068,146 for November, 23,063,318 for October, 22,563,944 for September, 23,029,068 for August, and 22,829,220 for January, 1941. The aggregate number of active spindles hours reported for the month was 96,047,880, an increase of 8,586,795 hours over the preceding month. The number of active spindles hours in the United States were operated at 140.4% of capacity on Feb. 19. This percentage compares, on the same basis, with 124.0 for December, 129.4 for November, 135.3 for October, 138.3 for September, 138.8 for August, and 113.2 for January, 1941. The average number of active spindles hours per spindle in place for the month was 47.1. The total number of spinning spindles in place at that number, the average active number of spindles, and the average active spindle per spindle in place, are shown in the following statement.

<table>
<thead>
<tr>
<th>State</th>
<th>Total in place</th>
<th>Active during Jan.</th>
<th>Total spindle hours in place</th>
<th>spindle hours per spindle</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>24,131,506</td>
<td>23,067,383</td>
<td>96,047,880</td>
<td>47.1</td>
</tr>
<tr>
<td>Cotton Growing States</td>
<td>11,393,635</td>
<td>11,049,634</td>
<td>43,317,020</td>
<td>39.3</td>
</tr>
<tr>
<td>Alab.</td>
<td>700,067</td>
<td>626,200</td>
<td>28,953,810</td>
<td>41.3</td>
</tr>
<tr>
<td>Ark.</td>
<td>553,760</td>
<td>503,800</td>
<td>23,076,130</td>
<td>46.0</td>
</tr>
<tr>
<td>Calif.</td>
<td>5,278,615</td>
<td>4,907,250</td>
<td>22,399,510</td>
<td>46.4</td>
</tr>
<tr>
<td>Colo.</td>
<td>3,436,784</td>
<td>3,109,800</td>
<td>13,417,470</td>
<td>42.8</td>
</tr>
<tr>
<td>Ga.</td>
<td>489,180</td>
<td>426,000</td>
<td>12,294,470</td>
<td>29.7</td>
</tr>
<tr>
<td>Ill.</td>
<td>591,490</td>
<td>502,600</td>
<td>13,901,030</td>
<td>27.9</td>
</tr>
<tr>
<td>Ind.</td>
<td>963,705</td>
<td>845,000</td>
<td>15,135,400</td>
<td>18.1</td>
</tr>
<tr>
<td>Ky.</td>
<td>481,595</td>
<td>416,800</td>
<td>11,760,310</td>
<td>28.7</td>
</tr>
<tr>
<td>La.</td>
<td>308,040</td>
<td>262,200</td>
<td>7,902,010</td>
<td>29.5</td>
</tr>
<tr>
<td>Me.</td>
<td>63,840</td>
<td>50,000</td>
<td>2,225,010</td>
<td>44.5</td>
</tr>
<tr>
<td>Mo.</td>
<td>587,120</td>
<td>504,200</td>
<td>13,211,210</td>
<td>25.0</td>
</tr>
<tr>
<td>Mont.</td>
<td>3,087,746</td>
<td>2,631,200</td>
<td>11,562,840</td>
<td>43.9</td>
</tr>
<tr>
<td>N. Y.</td>
<td>11,585,840</td>
<td>10,220,010</td>
<td>53,229,080</td>
<td>51.8</td>
</tr>
<tr>
<td>N. C.</td>
<td>5,741,398</td>
<td>4,611,000</td>
<td>21,979,000</td>
<td>47.0</td>
</tr>
<tr>
<td>N. D.</td>
<td>2,816,472</td>
<td>2,284,800</td>
<td>11,101,840</td>
<td>48.5</td>
</tr>
<tr>
<td>Ohio</td>
<td>8,396,240</td>
<td>6,887,200</td>
<td>33,426,510</td>
<td>48.6</td>
</tr>
<tr>
<td>Okla.</td>
<td>1,285,040</td>
<td>1,078,400</td>
<td>7,891,330</td>
<td>72.2</td>
</tr>
<tr>
<td>Pa.</td>
<td>3,930,974</td>
<td>3,575,600</td>
<td>16,302,810</td>
<td>45.9</td>
</tr>
<tr>
<td>Tenn.</td>
<td>2,776,432</td>
<td>2,030,400</td>
<td>8,872,010</td>
<td>43.6</td>
</tr>
<tr>
<td>Tex.</td>
<td>5,237,436</td>
<td>4,425,200</td>
<td>23,587,510</td>
<td>52.9</td>
</tr>
<tr>
<td>Va.</td>
<td>629,480</td>
<td>560,120</td>
<td>19,573,010</td>
<td>34.8</td>
</tr>
<tr>
<td>Wash.</td>
<td>31,023,040</td>
<td>28,540,000</td>
<td>127,140,000</td>
<td>44.1</td>
</tr>
<tr>
<td>W. Va.</td>
<td>2,417,740</td>
<td>2,091,600</td>
<td>10,286,230</td>
<td>49.2</td>
</tr>
<tr>
<td>W. C.</td>
<td>1,917,432</td>
<td>1,641,800</td>
<td>7,887,000</td>
<td>47.7</td>
</tr>
<tr>
<td>Wyo.</td>
<td>3,005,390</td>
<td>2,424,800</td>
<td>10,480,080</td>
<td>43.4</td>
</tr>
<tr>
<td>Other States</td>
<td>11,725,120</td>
<td>10,167,200</td>
<td>47,563,970</td>
<td>47.0</td>
</tr>
</tbody>
</table>

Shift Of Personnel To War Agencies Speeded

President Roosevelt issued an executive order on Feb. 21 designed to expedite the transfer of personnel to war agencies. The order was asked for by the Budget Bureau to establish priorities in the effectuation of this order. In its present form the order involves the transfer of all personnel from the Budget Bureau to the Civil Service Commission. As a result of this order the number of personnel available for service in the Budget Bureau will be reduced to one-fifth of its present strength.

The order provides that personnel will be transferred to the Civil Service Commission and other agencies directly related to the war effort, other than the Budget Bureau.

The order provides that personnel will be transferred to the Civil Service Commission and other agencies directly related to the war effort, other than the Budget Bureau.

For the purpose of facilitating transfers of personnel under the provisions of this order the President has directed the Bureau of the Budget shall have the right to time to establish priority classifications of employees in several executive departments and agencies, or of parts of agencies, to which it relates to their relative importance to the war program, and to designate and control as to such transfers under the provisions of this order.

The Civil Service Commission is directed to afford such information as to employees of executive departments and agencies who are deemed competent and fit for service in departments or agencies having a higher priority classification than that of the department or agency in which the employee is serving. If, within that period, the employee, department or agency presents case for transfer, the Commission will consider such evidence and make a final decision. Transfers to departments or agencies having a higher classification, however, will be made without the consent of the department or agency in which the employee is serving.

An employee transferred pursuant to this order will be entitled to all the re-employment rights which he would have been entitled to under the Civil Service Executive Order No. 8793 of Dec. 12, 1941.

The Civil Service Commission is directed to adopt such rules and regulations and to establish such procedures as may be necessary to afford such personnel the rights and benefits which would have been afforded under the rules and regulations of the Commission in the event of their employment in departments or agencies having a lower classification than that of their department or agency in which the employee is serving.

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Fertilizer Ass'n. Price Index Still Rises

The weekly wholesale commodity price index compiled by The National Fertilizer Association which was made public Feb. 23, 1942, was reported by the Bureau of Labor Statistics to have stood at 212.3 when compared with 212.1 at the same date last year. The index, which is published each week in the Bulletin of the Bureau of Labor Statistics, was compiled from the prices of 227 commodities, including 28 kinds of nitrogenous fertilizers, 11 kinds of phosphatic compounds, and 88 kinds of potassic compounds, as reported in the leading wholesale and retail trade papers. Each item is weighted to equal 100, and the index is the percentage of change from that base.

Published in the Bulletin of the Bureau of Labor Statistics, Washington, D.C., Feb. 23, 1942, the index is the Bureau's only attempt to correlate wholesale prices of commodities. The index is based on the wholesale price for 227 items in the last week of May, 1913, which is set equal to 100. Each week the prices of the same 227 items are compared with each other for the purpose of computing the index.

The index is computed from the wholesale prices of commodities and is not comparable with retail prices which are based on retail sales. The index is published weekly and gives a general indication of the relative prices of commodities, but it does not give a close indication of the prices of specific commodities. The index is not comparable with the retail price index, which is based on the prices of specific commodities and is published monthly.

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World Prices Steady

General Motors Corp. and Cornell University, which prior to the war had plotted trends in the market, have recently announced that the market is steady. Instead of a composite index of world prices, these organizations now are publishing the information only as individuals.

The indexes of the commodities and the list is the same for each country in so far as possible. Each commodity is weighted uniformly for each country, according to its relative importance in world production. The actual price data are collected weekly by General Motors overseas operations and are shown in the table headed "World Prices Steady."

| Commodity | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | Q | R | S | T | U | V | W | X | Y | Z |
| Price     | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10| 11| 12| 13| 14| 15| 16| 17| 18| 19| 20| 21| 22| 23| 24| 25| 26| 27| 28| 29| 30|
| Units      | 222 | 221 | 220 | 219 | 218 | 217 | 216 | 215 | 214 | 213 | 212 | 211 | 210 | 209 | 208 | 207 | 206 | 205 | 204 | 203 | 202 | 201 | 200 | 199 | 198 | 197 | 196 |
| Average    | 222 | 221 | 220 | 219 | 218 | 217 | 216 | 215 | 214 | 213 | 212 | 211 | 210 | 209 | 208 | 207 | 206 | 205 | 204 | 203 | 202 | 201 | 200 | 199 | 198 | 197 | 196 |
| Price Index | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |

Bank Debts Up 5.7% From Last Year

Bank debts as reported by banks in leading centers for the week ended Feb. 18, 18, 18, 18, were $10,615,000,000. Total debts during the 13 weeks ended Feb. 18 amounted to $16,969,000,000. This is above the lowest for the corresponding period a year ago. At banks in New York City there was an increase of 11% compared with a year ago, and at the other reporting centers there was an increase of 22%

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Feb. 11 its summary for the week ended Feb. 11. The summary includes figures showing the volume of stock transactions for the odd-lot account, which is maintained by odd-lot specialists who handle odd lots on the New York Stock Exchange. The summary is based on figures being published by the Commission. The figures, which are based upon reports filed with the Commission by the odd-lot dealers, are given below.

<table>
<thead>
<tr>
<th>Stock</th>
<th>Number of Shares</th>
<th>Dollar Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,576,877</td>
<td>$19,064,214</td>
<td>73%</td>
</tr>
</tbody>
</table>

Federal Reserve January Business Indexes

The Board of Governors of the Federal Reserve System on Feb. 21 issued its monthly indexes of industrial production, factory employment, and payrolls. At the same time the Board issued an index summary of business conditions. The indexes for January, together with comparisons for a month and year ago, are as follows:

<table>
<thead>
<tr>
<th>Business Index</th>
<th>January 1942</th>
<th>Seasonal Variations</th>
<th>Seasonal Adjustments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1200-20 average</td>
<td>115.0</td>
<td>161.0</td>
<td>161.0</td>
</tr>
<tr>
<td>1939-20 average</td>
<td>115.0</td>
<td>161.0</td>
<td>161.0</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>115.0</td>
<td>161.0</td>
<td>161.0</td>
</tr>
<tr>
<td>Transportation equipment</td>
<td>115.0</td>
<td>161.0</td>
<td>161.0</td>
</tr>
<tr>
<td>Non-ferrous metals &amp; products</td>
<td>115.0</td>
<td>161.0</td>
<td>161.0</td>
</tr>
<tr>
<td>Food</td>
<td>115.0</td>
<td>161.0</td>
<td>161.0</td>
</tr>
<tr>
<td>Textiles</td>
<td>115.0</td>
<td>161.0</td>
<td>161.0</td>
</tr>
<tr>
<td>Other manufacturing</td>
<td>115.0</td>
<td>161.0</td>
<td>161.0</td>
</tr>
</tbody>
</table>

Lumber Movement—Week Ended Feb. 14, 1942

Lumber production during the week ended Feb. 14 was 0.2% less than the previous week, which represented the lowest production in new business 4% less, according to reports to the National Lumber Manufacturers Association from regional associations covering the country. Production of railroad and wood and softwood mills. Ship¬ments were about 14% above the previous week; new orders 10% above production. Compared with the same week of 1941, production was 3% less, shipments, 6% greater, and new business 3% less. The industry stood at 19% above its production in the corresponding week of 1939-40 and 154% of average weekly production in a 12-month period.

Year-to-Date Comparisons

Reported production for the first six weeks of 1942 was 5% below corresponding weeks of 1941; shipments were 1% below the shipments, and new orders 7% above the orders of the 1941 period. For the six weeks of 1941, production was 27% above production, and shipments 18% above the same period of 1941.

Supply and Demand Comparisons

The ratio of unfilled orders to production in the first six weeks of 1942, compared with 34% a year ago, was 36% greater than a year ago, gross stock of the industry was 6% above a year ago, and the number of shipments was 17% below a year ago.

Softwoods and Hardwoods

Records for the current week show that the industry is in a firm position for the corresponding week a year ago, and for the previous week, shows a strong gain in production from the previous week.

Softwoods and Hardwoods

Ends Wednesday, Feb. 14, 1942

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Feb. 11 its summary for the week ended Feb. 11. The summary includes figures showing the volume of stock transactions for the odd-lot account, which is maintained by odd-lot specialists who handle odd lots on the New York Stock Exchange. The summary is based on figures being published by the Commission. The figures, which are based upon reports filed with the Commission by the odd-lot dealers, and specialists, are given below.

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<tr>
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<td>2,576,877</td>
<td>$19,064,214</td>
<td>73%</td>
</tr>
</tbody>
</table>

Auction Sales

Transacted at R. L. Day & Co., Boston on Wednesday, Feb. 11:

<table>
<thead>
<tr>
<th>Stock</th>
<th>Number of Shares</th>
<th>Dollar Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond</td>
<td>Sales</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>$6,000</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>$12,000</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>$18,000</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>$24,000</td>
</tr>
</tbody>
</table>

Transacted by R. L. Day & Co., Boston on Wednesday Feb. 18:

<table>
<thead>
<tr>
<th>Stock</th>
<th>Number of Shares</th>
<th>Dollar Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond</td>
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<td></td>
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<td>$18,000</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>$24,000</td>
</tr>
</tbody>
</table>
War Demand In Steel Trade In Great Volume—Further Expansion Being Considered

War requirements for steel are now estimated at more than 43 million tons per year, based on an extraordinary effort U. S. industry is putting forth in the war against the Axis nations, states "The Iron Age" in its issue today (Feb. 16). This great volume of steel will be earmarked for such direct war items as tanks, airplanes, ships, and the all steel and tank manufacturers and for land-less. Indirect war needs, however, have also resulted in an enormous requirement for the foregoing five major groups that will brush aside much other demand.

Whether or not successfully Government control of steel distribution is applied through the priority system, it appears likely that the production of steel will exceed the 1939 total by some "essential" civilian requirements to provide the steel needed for the manufacture of steel products. Mills and scheduled months ahead on steel orders carrying ratings of A-1 or better will be able to promise delivery on anything less than 1 year for a week.

With such pressure for steel, no step can be overlooked which will add to supplies. As a result, one steel mill, which has not been manufactured by telegram by the War Production Board to steels from their steel stocks except orders bearing specified high priorities.

In a similar order, accompanying a general tightening up of the entire priority system as applied to metals, steel manufacturers supplying the petroleum industry have been ordered by the WPNB to stop ship oil country casing, tubing or drill pipe on or after March 1. This order is to remain in effect until July 30, 1942. It was placed on orders bearing a rating of A-9 or higher. The purpose of the order is to prevent a shortage of the metal needed for the manufacture of the limitations applying to the petroleum industry are observed.

Steel production continues at the record level of a week ago with only minor changes being reported. The steel production is unchanged at 97%, while Chicago declined to 101%. Youngstown mills reported no change, while Cleveland dropped from last week's revised rate of 96%. Philadelphia remained unchanged. Chicago mills averaged a rate of three points to 91%, while Birmingham was unchanged at 96%. Detroit dropped seven points to 94% while Southern Ohio River is up to 99%

Whether these high rates of ingot production can be maintained in the future is still open to question. There is a growing belief that the demand for steel to be bound to reenter to industrial observers despite President Roosevelt's recent statement that no "intermissions" should stop the flow of industrial production for defense. Again the National War Labor Board is face to face with the problem of handling steel and due to the steel industry. For the first time, the National War Labor Board has charged the Steel Institute with the fraudulent practice of making statements.

Although the order is still "time to defend itself," the mills are expected to keep the rate of production at 95% or above, although it is believed that it may drop in the near future. This is expected to be the case in as much as production is expected to increase, particularly in the area of steel for the construction of ships and airplanes.

London Economist Advocates Inflation Here

Avers Alternative Deflation Or Reduction Of Public Expenditures Greater Than In Great Britain

We reprint the following from Carlson A. Shively's column in the London Economist advocating the view that the government should favor an inflationary measure to put a halt to the current deflationary pressures in the economy.

Initiation Necessary

An article in the London "Economist" asserts that the government should take steps to control the inflationary pressures in the economy. The author suggests that an increase in government spending would be necessary to counteract the deflationary effects of the current economic downturn. The article argues that the government should spend more on public works projects, such as roads and bridges, to stimulate economic activity. The author believes that this would be necessary to prevent a deeper recession and to help the economy recover more quickly.

The article concludes with the statement that "the case for inflationary measures has not yet been won. It is up to the government to take the lead in getting inflation under way in an orderly and controlled manner."
Revenue Freight Car Loadings During Week Ended Feb. 14, 1942 Amonted To 782,699 Cars

Loading of revenue freight for the week ended Feb. 14, totaled 782,699 cars, the Association of American Railroads announced on Feb. 18. This marked the second consecutive week above the corresponding week in 1941, and 61,523 cars or 8.5% and above the same week in 1940 was 174,462 cars.

Loading of revenue freight for the week of Feb. 14 decreased 1,561 cars or 0.2% below the preceding week.

Week's total freight loading amounted to 802,180 cars, a decrease of 1,055 cars below the preceding week, but an increase of 45,733 cars above the corresponding week in 1941.

Grain and grain products loading totaled 38,745 cars, a decrease of 2,570 cars below the preceding week, and an increase of 2,045 cars above the corresponding week in 1941. In the Western Districts alone, grain and grain products loading for the week of Feb. 14 totaled 25,283 cars, a decrease of 2,514 cars below the preceding week, but an increase of 7,330 cars above the corresponding week in 1941.

Live stock loading amounted to 11,197 cars, an increase of 783 cars above the preceding week, and an increase of 477 cars above the corresponding week in 1941. In the Western Districts alone, loading of live stock for the week of Feb. 14 totaled 9,089 cars, an increase of 405 cars by the preceding week, and an increase of 445 cars above the corresponding week in 1941.

Forest products loading totaled 47,603 cars, an increase of 457 cars above the preceding week, and an increase of 8,757 cars above the corresponding week in 1941.

Ore loading amounted to 12,929 cars, a decrease of 491 cars below the preceding week, and a decrease of 558 cars above the corresponding week in 1941.

Coke loading amounted to 14,169 cars, an increase of 41 cars above the preceding week, but a decrease of 130 cars below the corresponding week in 1941.

All districts reported increases compared with the corresponding week in 1941 except the Pacificas and all districts reported increases compared with the preceding week of 1940 except the Pacificas.

The following is a summary of the freight carloadings for the separate railroads and systems for the week ended Feb. 14, 1942.

Advertising Coordinating Council

The facilities of national advertising have been coordinated and the disposal of the government in help with the war effort, according to a statement released by an organization of members of the major factors in the advertising industry. These sponsoring groups include:

The American Association of Advertising Agencies

The Association of National Advertisers

The American Newspaper Publishers Association

The National Magazine Publishers Association

The Broadcasters

The National Outdoor Advertising Association of America, and many other affiliated groups.

The Advertising Council, will undertake the government utilize, for purposes of inspiring and instructing the public concerning the phases of the war effort, the talents, techniques and channels of advertising, in which normal times have proved they can help shape the thinking and action of the public. The advice from the Advertising Council state:

The Council has been in process of formation since last November under the direction of a special committee presided over by Mr. Peter A. Godfrey, Chairman of the Board of the National Association of Advertisers. Mr. Godfrey, Chairman of the Council, is

Refunding Debts. Offered

An offer of $37,400,000 conversion debentures by the United States Government through the Federal Intermediate Credit Banks was made Feb. 18 by Charles B. Dunn, New York, fiscal agent for the conversion debentures. The offering included $5,250,000 of 5% debentures due Dec. 1, 1942, and $12,150,000 of 4.5% debentures due Apr. 1, 1942, both with an option to redeem the debentures at par at any time after the close of business March 30, 1942. The banks will have a total of $278,000,000 debentures outstanding after the 2010 offering. At the close of business March 30, 1942, the banks will have a total of $278,000,000 debentures outstanding.

Sales Price Of Wheat

The Commodity Credit Corporation, a government agency which sells wheat at which will be offered under the general sales program for the fiscal year, will be made at a bushel, effective during the period of 1942, the price will be 17 cents above the applicable price at terminal locations and 20 cents above the national average, with premium and discounts for quality as at apply under the 1941 loan legislation. The minimum average for 1% of 33 bushel basis per bushel of hard red winter wheat for February delivery will be continued.

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**Foreign Front**

(Continued from First Page) people in various parts of the world, are making their statements on military matters. Presid¬
ent Roosevelt's address last week suggested the generally known circumstances relat¬
ing to our part in the war. He presented the general trend of the conflict and the purpose that will help the enemy. And he asked that it be remembered by both supporters and critics of the United Nations.

Much of the address was devoted to a simple geo¬
graphic outline of the vast scope of the war and the important points of the supply of other mem¬
bers of the United Nations. A brief lesson on types of air¬
craft was also included. Mr. Roosevelt laid broad¬
ly the reason for the situation in which General Douglas Mac¬
Arthur and his men find themselves on Bataan Peninsula in the Philippines. The President explained that the strategy...
men from the Philippines to augment their attack on the Netherlands East Indies and Burma.

Drastic reorganization of the British Cabinet has followed the failure of the conference at the House of Commons concerning the question of whether the changes effected have allowed the Germans to make a landing in Great Britain by the further military defeats. That "drastic reorganization" of the British Cabinet, which began its reconstruction last Tuesday, and continued the changes in the government portfolio, was taken into the Government as a result of the conference at the House of Commons. Capitan Oviedo, head of the government, was apparently dropped entirely. In his place Mr. Churchill, who went to see the United States as a special envoy of the government, as Domin¬

 Secretary and Deputy Prime Minister was appointed Clement R. Attlee, who has been appointed as Secretary of State, while Ernest Bevin remained as Minister of Labor. Capita¬

on Thursday, to the Prime Minister, who presided over the meeting of the cabinet, Mr. Churchill held ten¬

 in the cabinet, which provides him with powers that are indispensable to his position.

President Roosevelt.

The first meeting of the Cabinet, last Monday, Mr. Churchill dropped Captain David Maxwell Fyfe, a member of the Cabinet, and Colonel J. C. T. Moore-Birrah, Minister of Information, Lord Mount, Secretary for Col¬

 and Britain and may therefore become a possible subject of discussion between Mr. Churchill and Mr. Roosevelt, who visited both of the British and American heads of government during his visit to the United States, will be held on Thursday.

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President Roosevelt.
Items About Banks, Trust Companies

Edwin A. Lee, President of the Manufacturers National Bank, Maplewood, N. J., and a former President of the bank, retired on Feb. 15 at his home in Maplewood. Mr. Lee was 72 years old. A native of New York City, Mr. Lee began his banking career as a messenger boy with the Bank of St. Louis, Mo., in 1889, when the bank's employees totaled about 50. He remained with the bank for the next 27 years and saw it become the Independent Trust Co. in 1907. Mr. Lee was elected President of the Independent in 1914 and Vice-President in 1918. Mr. Lee retired from the Independent in 1935 and the following year was elected President of the Maplewood Bank and Trust Co., which he helped found in 1920 and of which he was the first President and a Director in the intervening years.

At the regular meeting of the Board of Directors of the Independent National Bank of New York, on Feb. 16, Mr. C. C. Bauer was appointed Assistant Cashier. Mr. Bauer is the son of Frank J. Bauer, Orange, N. J., who has been associated with the bank for several years.

The Directors and officers of Sterling National Bank & Trust Co., at the close of the opening of their new bank building at 522 South Third Street, York, Pa., Feb. 16, announced the election of James E. H. Field, Jr., as President and Treasurer of the National Bank & Trust Co., 17 Wall St. New York City.

Edith S. Williams, Chairman of the Board of Directors of Provident Trust Co., Philadelphia, Pa., died Feb. 16, at the age of 68 years. Mr. Williams was born in Philadelphia, Pa., in 1872, and the following year was elected Chairman of the Board.

Mr. Williams was also a Director of the Central National Bank of Philadelphia, Life Insurance Co., the Philadelphia Industrial Loan Fund Society, the Central Penn National Bank, the First National Bank Co., and the Lehigh Coal and Navigation Co., among other concerns.

John D. Ames, editor and publisher of the "Chicago Journal of Commerce," has been elected President of the Industrial National Bank of Chicago, Feb. 16.

Mr. Ames succeeds Calvin C. Fiesenhauser, who becomes Chairman of the Board of Directors of the Industrial National Bank.

The announcement states that Mr. Fiesenhauser has been elected Chief Executive of the Industrial National Bank and, at the same time, assumed the Presidency of the Industrial National Bank.

The Industrial National Bank is a member of the Chicago Board of Trade.

There have been two important changes in the management of the "Chicago Journal of Commerce."

John D. Ames, a graduate of Princeton, and a resident of Wilmette, Ill., is Director of The Murray Corporation, a prominent in many civic and community organizations. He is a member of the Executive Council of the Boy Scouts of America, a member of the Budget Committee of the Community Chest Board of Chicago, and a member of the Board of Directors of the "Chicago Journal of Commerce." He is a member of the American Bar Association, and the National Bank and Trust Co., 17 Wall St. New York City.

The O'Connell Banking Company, N. Y., became a member of the Federal Reserve Bank of St. Louis on Feb. 16, it was announced. The new member bank was established under the provisions of the Federal Reserve Act.

At the recent annual meeting of stockholders of the Barnett National Bank & Trust Co., Jacksonville, Fla., all directors were elected re-elected.

At a meeting held in New York, Feb. 16, the "closed shop" was discussed at length by various speakers who addressed the meeting.

The proposed closed shop clause reads as follows:

"If all employees who are now members of the union or who may in the future become members will be required to accept the condition of employment with the company to maintain their membership in the union, then the closing of the life of this contract:"

"The Board may terminate this agreement with immediate effect as of three months from the date of the present in the current dispute. They shall apply only to employees who are members of the agreement, individually and collectively certify in writing that the Board:"

"That it wishes to purchase its own products, and will, as a condition of employment, require them to continue their membership in the union provided the board agrees to the closing of the life of the contract. Upon receipt of such evidence the Board agrees to deduct from the weekly earnings union dues for the company as required by the agreement, for each week per year, to be paid to the union.

Labor's announcement of the closing of the "closed union membership shop" was met with an immediate response from three of the largest employers in the country, each of whom declared its intention to make no change in the "closed union membership shop" as just one more confusing name for the old "closed shop.""The WLB faces the same crisis which brought an end to the National Defense Mediation Board. The WLB should attempt to force the steel companies to forget the steel strike of 1919, all Washington is asking whether the workers will come to a decision, the only incident in the making—that the the WLB will take over and operate private enterprise.

Three-Twinds Of Curb Stock Paid Dividends In 1941

Approximately two-thirds of the New York Curb Exchange paid dividends in 1941. As a result of the past year concluded by the Exchange's Department of Securities, 77% of the 757,975,000 shares paid out $9,704,000, and on 370 of these shares the total amount of shares outstanding was $76,000,000. Of these shares, 1,000,000 were distributed in dividends, 500,000 in cash, and 1,000,000 in shares. The 777 dividend-paying companies were approved by the Industrial Union Mediation Board.

These figures show an increase over the same period for 1940, when 521,400,000 shares, or 89.2%, of the total outstanding were paid dividends, by 29% or 59.3%, of the fully listed issues and by 971 or 63.9% of the distributed issues. Prior to 1940, the number of companies paying dividends was constantly declining, as of Dec. 31, 1940, the 660 divi-

dends, and 1,000,000 dividend-paying companies was approved by the Industrial Union Mediation Board and 1,000,000 dividend-paying companies was approved by the Industrial Union Mediation Board.