

FINANCIAL CHRONICLE

Reg. U. S. Pat. Office

Volume 156 Number 4100

New York, N. Y., Thursday, August 20, 1942

Price 60 Cents a Copy

NAM Advocates Penalizing Recalcitrant Labor In Strikes Rather Than Industry

A national labor policy to penalize "employees who are at fault," as in the outlaw strike at the General Cable Company plant at Bayonne, N. J., without confiscating war production plants and making management "an apparent dual offender," was advocated on Aug. 14 by William P. Witherow, President of the National Association of Manufacturers. In a letter to George W. Taylor, Vice-Chairman of the War Labor Board, the NAM spokesman applauded President Roosevelt's action in forcing the reopening of the truck war production plant of the General Cable Co., while denouncing the method employed.

"Americans who believe that democracy is based on fair play, will seriously question the procedure which is being followed," Mr. Witherow said. Describing the issue as a "challenge by a hit-and-run minority to the sovereignty of the Federal Government," Mr. Witherow declared that "instead of confiscating the property, the Government should protect the property." And, "management should be encouraged to reopen the plant with Government protection for those employees who desire to go back to work."

The Association President added an appeal to the WLB to "handle recalcitrant labor directly and decisively when it thus deliberately holds up the nation's war program, rather than dragging industry in as an apparent dual offender."

Mr. Witherow's letter follows in part:

"In the apparent absence of any more concrete recommendation from you, the President directed the Secretary of the Navy to seize the property of the General Cable Corp. as a means of forcing the employees of the company to accept the Labor Board's decision. Even though successful in this case, we respectfully submit that it not only fails to discourage similar defiances of the Labor Board in the future, but it actually encourages them.

"In your message to the President you very clearly pointed out that the management of the General Cable Corp. had met every requirement of your Board and that the 'sole' cause of the strike was the refusal of the employees to accept the Board's mandate. Thus, the issue no longer is a dispute between management and labor; it is a challenge to the sovereignty of the Federal Government by an outlaw labor minority. Management simply is an innocent bystander.

"And against all rules of fairness and equity, the innocent bystander is the one being penal-

(Continued on page 635)

FROM WASHINGTON AHEAD OF THE NEWS

By CARLISLE BARGERON

There are a lot of things that are amazing to the Washington political observers these days, but one of them is the seeming lack of interest in the primary campaigns. In none of the primaries thus far held has more than a relative corporal's guard turned out, frankly no more than the office holders or the machine vote. The result has been that most of the incumbents have been renominated whether they were pre-Pearl Harbor interventionists or isolationists, to use the terms loosely as they are used, or whether they were pro or anti-New Deal. Several have barely gotten through, but nevertheless they got through.

A few weeks ago there was every indication that the people were loaded for bear, that they were disgusted with Washington and all things connected with it. Nowhere was the feeling that the Congress was in for a housecleaning more pronounced than in Congress itself. The feeling still persists in Congress, and certainly there is no indication that the people aren't just as disgusted with Washington as they were a few weeks ago. How, then, can

the lack of interest in the primaries be explained? The best answer is that there is not enough understanding of the importance of primaries, that the voters generally are just waiting to get their hands on the incumbents next November.

Congress isn't likely to be improved by such unintelligent treatment as this. With the voters taking such little interest in who the candidates are to be in the first instance, they are quite apt to vote out many good men and vote in men who aren't worth their salt.

A striking instance of this possibility lies in the New Jersey (Continued on page 648)

Notice To Our Readers

Due to the constantly expanding volume of current news of paramount importance to business and industry, we are obliged, owing to space limitations, to divert to Section 1 a considerable amount of material which, under ordinary conditions, is usually contained in this section of the "Chronicle." In bringing this matter to the attention of our readers, we are mindful of our pledge to make every effort to increase the value of the "Chronicle" by reporting, without delay, all of the information essential to a thorough knowledge of the manifold changes in tax and other legislative matters originating in Washington, together with the activities of the many Government agencies whose functions are of increasing importance to the conduct of business in the present emergency.

GENERAL CONTENTS

Editor's Note—Various other reports and news items, not covered in this index, appear in Section 1 of this issue, as explained in the notice given on this page.

Editorial

Misleading Official Statistics..... 634

Regular Features

Financial Situation..... 633
From Washington Ahead of the News..... 633
Moody's Bond Prices and Yields..... 644
Trading on New York Exchanges..... 642
Items About Banks and Trust Cos..... 648
NYSE Odd-Lot Trading..... 643
Reacquired Stock Shares Changes..... 642
Bankers Dollar Acceptances (July 31) 643

State of Trade

General Review..... 636
Commodity Prices—Domestic Index..... 645
July Retail Prices Unchanged..... 646
Carloadings..... 647
Weekly Engineering Construction..... 645
New Construction in 2nd Quarter..... 643
Paperboard Industry Statistics..... 647
Weekly Lumber Movement..... 647
Fertilizer Price Index..... 643
Weekly Coal and Coke Output..... 646
Weekly Steel Review..... 644
Moody's Daily Commodity Index..... 644
Weekly Electric Power Output..... 645
Weekly Crude Oil Production..... 645
Non-Ferrous Metals Market..... 643
Gross and Net Railroad Earnings (June)..... 640
Income and Balance Sheet Items for Class I Railways (May)..... 640
Domestic and Foreign Cotton in U. S. (1941-1942 Season)..... 646

Miscellaneous

Reaffirms Atlantic Charter Principle..... 634
Post-War Market Facts Survey..... 635
Building Activity in First Half..... 635
Says Recalcitrant Labor Should Be Penalized..... 635
Named Federal Reserve Director..... 635
Savings and Loan War Housing Financing..... 636
Inflation Also Potent Enemy..... 636
Offers "Tax to the Limit" Policy..... 636
Dr. J. J. Schurman Dead..... 636
Navy Finance Advisers..... 636
War Housing Requires Private Financing..... 636
War Shortages Affect Printing Industry..... 637
Intensify Fire Hazards Correction..... 637
Newspaper Pressmen Win Pay Increase..... 637
Home Loan Bank System 10th Anniversary..... 637
Production Battle Only Started..... 638
Payment On Panama Bonds..... 638
Increase Pay of N. Y. Bldg. Employees..... 638
Insolvent National Banks Liquidated..... 638
Employee Absenteeism Serious Problem..... 638
OPA Limits Bicycle Sales..... 638
Post-War Industrial Plant Commission..... 638
Brazil Rubber Financing..... 638
Newsprint Output Down..... 638
OPA Clarifies Rent Adjustm't Policy..... 638
Steel Mission to Britain..... 638
Urges Increased Raw Material Output..... 639
Shipping Priority On Import Items..... 639
Wage-Hour Ruling..... 639
Steel Plant for Mexico..... 639
Queen Wilhelmina Addressed Congress..... 639
Farmers' Increase Land Bank Deposits..... 639
National Feed Wheat Program..... 640
Lower Demand for Paper and Paperboard..... 641
M. W. Potter Dead..... 641
Wholesalers' Sales and Credits (June) 642
1942 Cotton Loan Program..... 644
Wants Coffee Roasters to Meet Ceiling Prices..... 644
June Farm Income Higher Than Usual..... 645
June Earnings, Payrolls Set Records Named U. S. Diplomatic Representatives..... 646
Non-Farm Foreclosures..... 647
U. S.-Mexico Adopt Currency Controls..... 648
AIB Bank Employees Course..... 648
Named Presidential Aide..... 648
Visit New York Stock Exchange..... 648

THE FINANCIAL SITUATION

The collapse of the effort on the part of the President and, more openly and fully as aggressively, by Mr. Willkie to "purge" the Democratic and Republican parties of pre-Pearl Harbor "isolationists" has, we feel certain, heartened many forwardlooking, patriotic American citizens. That the American people have spoken definitely and authoritatively on the subject, and that their verdict is plain and emphatic, no one can well doubt. Says the New York "Times" (Aug. 13), long an ardent "interventionist" of wide influence:

Tuesday's primaries undoubtedly revealed a large number of American voters who would not unseat a Senator or Representative because he had been isolationist prior to Pearl Harbor. The cases which stand out are Representatives Hamilton Fish of New York, Elston and Vorys of Ohio, and Senator Thomas of Idaho, all Republicans and all veterans of two or more terms; Representatives Barry, Pfeifer, O'Leary and Kennedy of New York, all Democrats and all veterans of one term or more, and Marcantonio of New York, also a veteran, who achieved distinction by winning on the Republican, Democratic and American Labor tickets. One Ohio Democrat who had opposed the President's foreign policies, Martin Sweeney of Cleveland, went down to defeat, but he was alone in his misfortune.

The Reason

The reason for this rejection of the absurd position of the leaders of the two parties is not far to seek. It is all but universally conceded that a substantial majority of the people of the United States, to speak conservatively, were "isolationist" before Pearl Harbor in the sense that they earnestly wished and ardently hoped to remain aloof from the devastating war that engulfed most of the remainder of the world. Neither President Roosevelt nor Mr. Willkie for a moment during the election campaign of 1940 dared do other than encourage hope that we should succeed in avoiding participation in that war. To be sure, both advocated many policies and programs which inevitably tended to draw us in, but in doing so they never omitted the "short-of-war" assurances so popular at the time. There may have been some change in the temper of the people during the following year, but neither the President nor Mr. Willkie during that later period ever suggested or even intimated their desire for a declaration of war. The American voter may do queer things at times, but he is not likely to turn against any office holder or office seeker merely because that candidate held views identical with his at some date in the past.

(Continued on page 635)

"Unity," "Sacrifice," and----

But we're going to win! And we're going to win through two things, one of which . . . is unity among ourselves and then sacrifice by us all. Now, neither of these things is easy. It's not easy to attain unity in a democratic country. It puts a supreme test upon patriotism to bring about that unity, and yet I daresay there is no citizenship responsibility resting upon each of our soldiers that is greater than the responsibility upon each of us to promote that requisite unity.

And then as to sacrifice—whether we want it or not we are going to get it from the top to the bottom. We haven't begun to feel it here yet. You've got to steel your hearts for sacrifices you've never known in your lives. We have Valley Forges ahead of us. Make no mistake about that. But at the end of that bloody trail through Valley Forges will stand a Yorktown where the enemy surrenders.—Secretary of Navy Knox.

All this may be and doubtless is essential to win, but wars are not won by "unity" and "sacrifice" alone.

Would it not be a good thing if we heard less of Valley Forge, and saw more wisdom and ability in the performance of the duties of leadership so necessary if the Valley Forges are not to be in vain?

Reaffirms Principles Of Atlantic Charter

President Roosevelt in commemorating the first anniversary of the signing of the Atlantic Charter, sent to Prime Minister Winston Churchill of Great Britain on Aug. 14 a message reaffirming its principles as the basis for "our hopes for a better future for the world."

The President and Prime Minister signed the declaration at a secret meeting at sea a year ago (referred to in these columns Aug. 16, page 915) when the United States was still at peace.

In his message of Aug. 14 President Roosevelt noted that when the charter was signed the "nations resisting a common, barbaric foe were units or small groups fighting for their existence" but now "they have formed a great union of humanity," known as the United Nations.

The President's message follows:

"A year ago today you and I, as representatives of two free nations, set down and subscribed to a declaration of principles common to our peoples. We based, and continue to base, our hopes for a better future for the world on the realization of these principles. This declaration is known as the Atlantic Charter.

"A year ago today the nations resisting a common, barbaric foe were units or small groups, fighting for their existence.

"Now, these nations and groups of nations in all the continents of the earth have united. They have formed a great union of humanity, dedicated to the realization of that common program of purposes and principles set forth in the Atlantic Charter, through world-wide victory over their common enemies. Their faith in life, liberty, independence and religious freedom, and in the preservation of human rights and justice in their own lands as well as in other lands, has been given form and substance and power through a great gathering of peoples now known as the United Nations.

"Freedom and independence are today in jeopardy—the world over. If the forces of conquest are not successfully resisted and defeated there will be no freedom and no independence and no opportunity for freedom for any nation.

"It is, therefore, to the single and supreme objective of defeating the Axis forces of aggression that the United Nations have pledged all their resources and efforts.

"When victory comes we shall stand shoulder to shoulder in seeking to nourish the great ideals for which we fight. It is a worthwhile battle. It will be so recognized through all the ages, even amid the unfortunate peoples who follow false gods today.

"We reaffirm our principles. They will bring us to a happier world."

Briefly, the Atlantic Charter's eight principles, as noted in the Associated Press:

"No territorial or other aggrandizement.

"No territorial changes not in accord with the freely expressed wishes of the peoples concerned.

"Respect for the rights of all peoples to choose their forms of government.

"Equal access by all nations to world trade and raw materials.

"Fullest international economic collaboration.

"Establishment of a peace assuring safety to all nations and freedom from want and fear to all men.

"Freedom of the seas.

"Abandonment of the use of force among nations; disarmament of those threatening aggression."

Editorial—

Misleading Official Statistics

Ananias lived too early and missed opportunities which would have been open to him in modern America within the higher circles of the current bureaucracy. For the sin of prevarication he was stricken with sudden death but, if he had lived in 1942, he might have gained emoluments and the outward trappings of dignity and distinction among the statisticians of the Office of Price Administration. But if he had attained that singular advancement he must have encountered, from at least one of his colleagues, a bold and dangerous challenge to his supremacy. Surely, in no characteristic capacity could he have excelled the unnamed rival who lately succeeded in so manipulating and juggling the data relating to national income as to obtain some superficial semblance of support for his surprising statement that, despite increased rates of wages, premium wages for overtime, continuity of employment, and ample demand at high prices for all farm products, the total income received by individuals and families in the consumer group receiving less than \$2,500 a year will be smaller in 1942 than in 1941, and that the whole increase in national income, together with something subtracted from the former receipts of that group, will this year accrue to the numerically smaller body of consumers which has always enjoyed the higher incomes.

This anonymous genius, who has been permitted publicly to parade his delusive data under the official banner of Mr. Leon Henderson's well-advertised section of the Federal bureaucracy, went even further. He undertook to support the belief that one-third of this Nation, which has assumed the unparalleled task of supplying the United Nations with material assistance as well as the responsibility of becoming a direct participant in global warfare, remains "ill-fed, ill-clad, and ill-housed," by representing that \$25,000,000,000 of the national income of 1942 is being absorbed by some two per cent of its families. These figures, if not consciously mendacious, and it must be assumed that they are offered in good faith, are so absurd upon their face, they conflict so plainly and so radically with information supplied by the Treasury Department, and soundly based upon returns accepted for the purposes of income taxation, as to reflect most unfavorably upon the intelligence of whoever authorized their publication. Yet they emanate from one of the most powerful agencies of the Federal Government, that one which controls prices and subsistence-rationing intimately affecting every household in the land, and any credence which they may anywhere receive must inevitably affect the treatment of imminent problems of Federal economy and taxation and of immediate financing for war purposes. In actual origin they can scarcely represent anything except the irresponsible and wild vagaries of a meagre and distorted mind but, because of the quasi-endorsement of their official publication, they must be given further examination. To demonstrate their complete falsity and utter worthlessness need not consume much time or space.

To begin with, the classes to which the anonymous analyst attributes \$25,000,000,000 of income in 1942 never at any time heretofore have received materially more than one-fifth of that aggregate. The Treasury Department has the sworn statements of all their members, Treasury agents and auditors have subjected them all to rigid examination supported by detailed inspections of the accounts of the individuals represented, and it has summarized and published much of the data that they contain. For the year 1939, it reported this group as receiving \$5,300,000,000 and its best present estimate is that, allowing for all the undoubted increase attributable to higher prices and other consequences of current war activities, the 1942 aggregate cannot possibly exceed \$8,000,000,000, which in itself and in the light of all known circumstances seems to be an impossible and unthinkable increase. That is to say, however, that where the Office of Price Administration attributes taxable income of \$25,000,000,000 for 1942 to a very small group, which it accuses by implication of engrossing more than its reasonable and proper share, the responsible officers of the Treasury Department, an older Federal agency that is much better equipped and oriented in the field of income taxation, fixes the highest possible figure at below one-third of that sum. Furthermore, out of last year's increase in the national income, which approximated \$21,250,000,000, the Department of Commerce has reported that no less than \$16,800,000,000 represented increased payments to the groups composed of recipients of wages and salaries. Undoubtedly, the receipts in this category during 1942 will prove to be much higher than in 1941. Coincidentally, the Department of Agriculture has made public its estimate that the cash income of the farmers of the United States will reach \$15,000,000,000 in 1942, which is to be contrasted with \$11,600,000,000 in

1941, an increase for the current year of nearly 30%. It must, of course, be recognized that these data, coming from the Departments of Commerce and of Agriculture, cannot possess the slightest degree of accuracy without serving conclusively to demonstrate that the figures emanating from the Office of Price Administration must be ridiculously remote from all semblance to the realities. For if, in combination, the wage-earners, the salaried employees, and the farmers of the United States, are receiving at least \$20,000,000,000 more in 1942 than they received in 1941, it is simply impossible that the incomes of families receiving less than \$2,500 a year are currently diminishing, unless most of the wage-earners, salaried employees, and farmers are recipients of a great deal more than \$2,500 a year. Equally, assuming the accuracy of these data, it would be impossible that \$7,000,000,000, out of a total increase of \$11,000,000,000 in national income, claimed in the report under criticism, should have reached individuals and families in the income classes above \$10,000, unless those classes include many wage-earners, salaried employees, and farmers.

Probably no such statistical absurdity as that here under discussion ever before attained official publication, although a great deal that has emanated in the past from similar official sources has gone far to support the ancient observation that the progressive degrees of untruth are represented by "lies, damned lies, and statistics." Truth is that the astonishing estimates just promulgated from the price-fixing and subsistence-rationing agency of the Government are derivations built up by estimates, assumptions, and guesses enlarging upon and adding to an alleged "study" of consumer incomes claimed to be applicable to the years 1935 and 1936, or portions of those years, made by the National Resources Commission, the published results of which were long ago demonstrated to be erroneous and misleading. They were, however, subsequently relied upon, after enlargement by more estimates and assumptions, as the foundation for a monograph called "Who Pays the Taxes?" prepared in connection with the work of the Temporary National Economic Committee. Now, they reappear, enlarged and embellished in the same manner, as an emanation incidental to the activities of the Office of Price Administration. Each of these successive publications has exceeded its predecessor in the imaginative character of its spurious foundations and sources and in the unreliability of its demonstrably false conclusions and each has, in its turn, been exposed by sound and deadly criticism and comparisons with the known facts. Yet experience does not at all warrant the anticipation that any of them will cease to be quoted and relied upon by the unsophisticated and the statistically and economically illiterate, until at least they have been superseded by something still more remote from the truth and even from plausibility among the competent and enlightened.

Such misuses of the opportunities of official publication ought to condemn those by whom they are permitted to something more to be dreaded than exposure as careless or incompetent servants of the public. They tend to poison the sources of public opinion and to sabotage the processes of self-government and democracy where the utmost of integrity and illumination is essential to the commonweal. If sometimes they are resorted to in cynical contempt for the intelligence of the masses and because they appear to short-sighted advocates of particular policies of government as the easiest means for obtaining requisite approval from the masses, as it is impossible not to suspect, those who rely upon them ought to be driven from office and permanently considered as beneath contempt. We should be glad to know that Mr. Leon Henderson had no direct share in approving the recent publication attributed to the Office over which he presides. He is a statistician of some experience and of excellent reputation within that technical field. Largely, the prestige leading to his advancement in the public service was acquired while he labored as a statistician in relatively subordinate Federal employments. It is impossible to believe that he would not, almost at a glance, recognize the highly palpable falsities of the publication so recently permitted to appear from his Office. It is probable that he never saw it or read a word that it contains.

(Continued from first page)

Should Go Further

Now that the atmosphere has been cleared of one of these murky pollutions, it is to be hoped that coming events will soon remove some of the others of a like sort and the same origin. One of the most dangerous of these is the notion that the events of the past eight or nine months have proved the former so-called "isolationist" wrong, and shown conclusively that he must now join the forces of the "internationalists" if his patriotism and his intelligence are to remain unquestioned and unquestionable. They have shown nothing of the sort. Japan has revealed herself a treacherous, unscrupulous, ruthless imperialist—which she was, of course, already known to be. Nothing that she has done has shown or could prove the claims of those who somehow had managed to convey the impression that she was but awaiting the fitting moment to cross the Pacific and conquer this country. Certainly Germany has been too much occupied in Russia to give evidence to support similar allegations against her. What has been demonstrated clearly is that the policies pursued by us in the world situation as it then existed led inevitably to our involvement. Whether we should have sooner or later become involved in any event remains, as it was before Pearl Harbor, a debatable question.

Post War Projects

What has happened and is happening in India, the difficulties by which we find ourselves confronted in our efforts to carry the fight to our enemies across vast distances, and various other developments during the past three-quarters of a year should, we are certain, render us less ready, not more eager, to follow the will-o'-the-wisp ideas of the ardent internationalists as to the proper and wise post-war position and policies of this country. It is in their attitudes toward such questions that the difference is now to be found between the "isolationist" and the "internationalist". There is no longer any question of our "intervention". That issue has been decided for better or worse. We are in the war now, and must, of course, fight it to the limit of our ability. On that point "isolationist" and "internationalist" agree, and must agree. An "isolationist" now to become an "internationalist" must turn his eyes to the post-war world and support plans for remaking that world, by force, if necessary, more to his liking. Such projects appear to us to be in the process of becoming less appealing with each passing day.

But, First, Win The War!

But the really important task that lies ahead of the American people at the coming elections is to make it clear beyond cavil that their paramount interest now is in winning the war as quickly and as decisively as is humanly possible. They must leave no doubt in any mind that what they demand of candidates is not that they be able to show a record of having held such and such a view of international policy at some date in the past, or that they subscribe to some as yet not clearly defined line of conduct after the war, but that they give evidence of a determination and an ability to contribute directly and substantially to winning the war. Any other attitude on the part of the public at this stage would be most unfortunate. We have literally scarcely begun to fight. The war for us lies ahead. Its successful conduct requires the utmost concentration and the very best ability that the country can muster.

The Home Front

Strictly military operations have not as yet proceeded far enough, and available information as to what has and what has not been done is too scant, for the public to form any settled opinion on that subject. But all such campaigns must with the best of strategy and of direction depend for success upon the productive machinery at home, and there it is now evident all is not going as well as it should be. Industry has marshalled its forces with almost incredible speed and precision, but somewhere at the top where responsibility rests for adequate over-all coordination and management there have been shortcomings, how grave can not as yet be determined, but it is evident that there have been serious blunders. Plans have gone badly awry, and those who have made the mistakes show no willingness to let the public know what has gone wrong or who is responsible. Here the interest of the public should be, and we suspect is, centered.

But it is not only in the direct management of the industrial aspects of the war effort that shortcomings are evident. The whole philosophy of the New Deal as exemplified in programs of control and management of all phases of life, in utter unwillingness to forego supposed political advantages accruing from pampering labor and the farmer, in coddling the so-called underprivileged "classes" (which now are often the privileged "classes")—all this is seriously if sometimes indirectly hampering, we had almost said hamstringing, the

prodigious industrial effort that is being made by business men everywhere. Efforts to control prices, unwise in their own right, are made unavailing and more injurious by unwillingness to tackle the matter of wages or to place a restraining hand upon the farmer.

These are, or should be, burning issues in these coming campaigns and quite sufficient to drown out all discussions of "isolationism" and "internationalism". Our first task, and a grievous one it is, is to win this war.

**Post-War Market Facts
Subject Of Survey**

A vast post-war public demand for goods is seen by the Chamber of Commerce of the United States in the results of a preliminary survey of consumer markets just completed. The sample canvass is being followed by a nation-wide survey, already under way, as a part of the Chamber's war effort, which is directed primarily to aiding industry in its war production efforts.

"While the first job of business is to win the war as quickly as possible," said Eric A. Johnston, Chamber President, "we must not overlook the fact that when peace comes we shall have to turn to the every-day task of supplying the nation's accumulated wants and in doing so furnish jobs for the millions who will be released from the armed services and from war production." Mr. Johnston further said:

"The Chamber has in its membership both large and small business enterprise. It is made up predominantly, however, of small business concerns and, therefore, is vitally interested in their plight. We believe that these studies of post-war markets will be of great benefit to small business concerns as well as large ones.

"The nation-wide survey, now under way, which will be kept up to date currently, will seek to furnish government and industry with current facts on post-war consumer needs and potential purchasing power, together with the time and requirements for re-conversion of industry to meet the demands of a renewal of peacetime production.

"We hope to ascertain facts that will make easier the huge re-employment task that will follow the ending of the war. Theories have their proper place in post-war planning, but the problems that peace will bring to American industry and to the country as a whole will be solved only on a foundation of facts.

"The survey is divided into two phases — consumer research and specific industrial research. First to be analyzed will be the post-war market. Then, the market analysis will be translated into terms of raw materials, plant capacity, machine tools, and labor required to meet the demands of consumers."

It is indicated that it was decided to undertake the project on a comprehensive national basis after the test survey had disclosed that:

"The public seems to be acutely conscious of things it would like to buy and almost certainly would buy within the next six months if the war should end tomorrow.

"Four-fifths of the people interviewed said they are now ready to make one or more major purchases of certain specified articles if it were not for the war."

The test survey is also said to have revealed that most people are not—on the basis of present savings—counting on buying for cash. "If the limited results of the preliminary test should prove typical of the nation as a whole," said Mr. Johnston, "the American habit of instalment buying will continue to be a major factor in large consumer purchases."

People, as shown in the preliminary pilot canvass, want new homes, new automobiles, home improvements and conveniences, electric iron, washing machines, refrigerators and other home conveniences. Utilizing the most

modern methods of ascertaining consumer opinion, the national survey has the following objectives:

"1. To provide an actual inventory of major types of family purchases—that is, things that American families now possess, such as automobiles, homes (rented or owned), appliances, etc.

"2. To determine when things now in use are expected to wear out.

"3. To determine points or desire. 'If the war ended tomorrow what are the things you would most likely buy?'

"4. To determine ability to buy."

Specific industry researches will be undertaken by broad divisions of industry, such as construction, natural resources, transportation and communications, manufacture, distribution, insurance, finance and foreign commerce. The industrial survey will be facilitated through the cooperation of the National Chamber's extensive membership of 1,750 chambers of commerce and trade and industrial associations.

**Building Activity In
First Half \$6 Billion**

Total private and public construction activity for the first half of 1942 in the continental United States amounted to more than \$6,000,000,000, Secretary of Labor Perkins reported on Aug. 12. "Under the expanded war program public construction rose from approximately \$2,400,000,000 in the first six months of 1941 to \$4,000,000,000 during the first half of 1942," she said. "Military and naval construction increased 84% over the first half of 1941 and the construction of Federally financed industrial facilities increased three-fold over the same period," Miss Perkins further reported.

"Shortages of critical materials and conservation order L-41, prohibiting the start of unauthorized construction after April 8, 1942 resulted in sharp curtailment of private construction. Total private construction during the first half of 1942 amounted to \$2,000,000,000, a decrease of about \$400,000,000 from the same period of 1941. First quarter activity was almost as great in 1942 as in 1941 with the decrease of \$400,000,000 occurring in the second quarter.

"Private non-residential expenditures, including privately financed war plants, declined 41% in the first half of 1942 as compared with the same period of 1941. Non-farm residential construction activity was 24% under the 1941 level. Expanding farm income during the first half of 1942 resulted in greater expenditures for farm residential and service buildings. In order to meet war and essential civilian requirements for public utility construction was increased 17% over the level for the first half of 1941.

"Federally financed war housing expenditures in the first six months of the year amounted to \$226,000,000. Public non-residential activity excluding industrial facilities declined to about 75% of the total for the first half of 1941. Highway construction was curtailed about 14%. Other Federal construction, largely conservation and development work, increased slightly as compared with the first six months of 1941 while state and local construction dropped from \$105,000,000 to \$85,000,000."

**Urges Action Against
Recalcitrant Labor**

(Continued from first page)

ized. The procedure followed by the President deprives management and the stockholders of the company of their property rights but imposes no penalty whatsoever upon the guilty employees. In fact, the press this morning reported that leaders of the insurgent group were "elated" at the Government's action. It is obvious that if such action "elates" the strikers it will not serve to discourage similar strikes in the future. Quite the opposite, it provides a positive incentive.

"Management will not be encouraged in war production by the knowledge that its best effort will be rewarded by confiscation, if and when the labor party in collective bargaining chooses to defy Government.

"The NAM believes that this creates a dangerous and un-American precedent, and that you should have recommended a course when you certified the case to the President which would discourage future defiance of the Government and sabotage of the war effort.

"We respectfully submit to you that an appropriate procedure must be one that penalizes the party at fault, and not the party which has met its every obligation to the Government. In such cases, instead of confiscating property, the Government should protect it. Management should be encouraged to reopen the plant with Government protection for those employees who desire to go back to work. Employees who do not elect to return to work should be replaced immediately with willing workers. Of course, it goes without saying that the men who voluntarily refuse to work no longer are engaged in an essential war occupation and should immediately lose all such deferment rights under Selective Service. In addition, the United States Employment Service should refrain from placing them in other essential jobs.

"Until the Government adopts such a policy and thus discourages strikes in defiance of its rulings, the decisions of the War Labor Board will be little more than scraps of paper—contracts which are binding upon only one of the parties involved.

"Professional labor leaders undoubtedly will suggest to you that such positive Governmental action is politically dangerous, but the great mass of patriotic and loyal citizens of this nation will vigorously endorse the policy of penalizing the guilty rather than the innocent. So will the vast majority of union workers whose reputation is being besmirched by the pampering of the few who subordinate patriotism to personal privileges.

"In fact, further temporizing with minority groups that defy the Government is far more dangerous, both politically and to the effectiveness of the War Labor Board's work, than the equitable procedure we have suggested. Failure to adopt this more realistic policy will crystallize the demand for Congressional action which again is rising because of the steady increase in labor disputes since Pearl Harbor."

Baker Fed. Reserve Director

Albert Z. Baker, President and General Manager of the Cleveland Union Stock Yards Co., has been appointed a Class C Director of the Federal Reserve Bank of Cleveland, it is announced by M. J. Fleming, President of the Bank. Mr. Baker fills a vacancy on the Board of the Cleveland Bank created by the resignation of Walter H. Lloyd. His term will run to Dec. 31, 1944.

The State Of Trade

Business activity in some quarters showed slight setbacks for the week, with reports from most of the leading industrial areas showing up favorably compared with last year.

During the week ended Saturday, Aug. 8, the electric light and power industry produced 3,637,070,000 kilowatt hours of electrical energy, according to the Edison Electric Institute. This was an increase of 12.5% over the output in the corresponding week in 1941, but was fractionally below distribution in the previous week which aggregated 3,649,146,000 kilowatt hours.

Steel ingot production in the United States will be approximately 12,000 tons more in the current week than during the preceding seven days, the American Iron & Steel Institute reports.

At the same time the Institute, in examining prospects for future operations, announced that a survey of plants had disclosed that mill and furnace inventories of iron and steel scrap are 40% lower than they were 18 months ago. Such scrap supplies represent only an average of two to three weeks' supply at current operating rates, the Institute said.

Steel ingot production is scheduled this week at 97.2% of rated capacity, indicating net production for the week of 1,662,800 tons. Last week the schedule was 96.5% and output 1,650,800 net tons. In the like 1941 week 1,589,400 net tons of steel ingots were produced.

Loading of revenue freight for the week ended Aug. 8, totaled 849,752 cars, according to the Association of American Railroads. This was a decrease of 13,776 cars from the preceding week this year, 28,753 cars below the corresponding week in 1941, and 122,679 cars above the same period two years ago. This total was 125.06% of average loadings for the corresponding week of the 10 preceding years.

Further curtailment of public purchasing during the current week, chiefly in larger cities, furnished the only marked change in the general business and trade picture, according to Dun & Bradstreet, Inc.

The gap widened between sales results of small and neighborhood stores and those of large city units, with the rise in rural and war production area income held major factors. Department store sales, which spurred last year, were off sharply, with all retail trade sagging 7 to 14%.

Department store sales on a country-wide basis for the week ended Aug. 8, were down 5% from the same week a year ago, it was shown in the weekly figures made public by the Federal Reserve System.

Department store sales in New York City in the week ended Aug. 8, were 13% smaller than in the same week of last year, and in four weeks ended Aug. 8, were 8% below those of the same 1941 period, according to the New York Federal Reserve Bank.

Civilian and military employment rose to the new peak level of 56,400,000 in June, as students free for the vacation months and other new workers were drawn into industry and agriculture, according to the division of industrial economics of the Conference Board.

The survey reveals that 14,250,000 were engaged in manufacturing in June, factory employment having increased by 1,000,000 during the last year. War production has also increased the relative importance of manufacturing employment, which now accounts for 35% of all non-agricultural civilian employment, as against 33% in 1941 and 31% in 1940, the Board reports.

The 136 Class I steam railroads which have reported to the Interstate Commerce Commission show aggregate net income of \$63,668,283 after taxes and charges for May, compared with \$43,140,477 in the 1941 month.

Can Win War But Be Defeated By Inflation

America can win the war but be defeated by inflation, Walter D. Fuller, Chairman of the Board of the National Association of Manufacturers, warned at the Chautauqua Institute Assembly at Chautauqua, N. Y., on Aug. 7. Blanket increases in wages and salaries, class taxation and favoritism to pressure groups will feed the fires of inflation, he emphasized.

"Inflation is as much our enemy as Hitler or Hirohito," declared Mr. Fuller. "It is an unseen enemy that creeps up on us. And it is creeping now. There is not a housewife in the nation who needs to be told that inflation has crept into her market basket. She can see it in the price of everything she buys." Mr. Fuller continued:

"The facts about inflation are clear. In June close to 50% of our industrial output consisted of armaments. That leaves 50%, or less, manufacturing the things all of us buy—clothing, food, etc. That alone would be inflationary. But more people are at work at higher wages than ever before. Payrolls will increase about \$15,000,000,000 this year. The American public will have more money to spend and less goods to buy. Since the outbreak of the war in Europe there has been a 17% increase in the cost of living. That's inflation at work.

"Should wages be increased more simply because a few shortsighted labor leaders want to perpetuate their jobs at any cost? That's the way to feed the fires of inflation. Blanket increases in wages and salaries will contribute more to the bonfire than anything else.

"When blanket wage increases are demanded, that is a demand for a special exemption from the decline in the standard of living—the cost of this war—at the expense of everyone else. Is any group entitled to such an exemption? Isn't this the war of all America? Aren't we all in the same boat, sacrificing alike for victory and ready to share alike in the glory of success?"

"In all sincerity I say to you that blanket wage increases no longer are a question of whether or not companies can afford them. Can the people of America afford them? Can labor itself afford them? Can labor afford to pay the price of inflation? Just as the flame lures the moth to her death, so labor is being drawn toward disaster by the magnetism of blanket wage increases."

Denying recurring rumors of unconscionable profiteering in some war industries, Mr. Fuller cited the House Naval Affairs Committee's recent study of 39,405 war contracts and its finding that "95% of war contractors are doing an honest and effective job and receiving only fair and reasonable profits." The Committee pointed out that even among the other 5%, "many of the contractors have voluntarily reduced their profits when the situation was called to their attention either by direct refunds or price reductions on future deliveries."

Mr. Fuller further said: "In the months that we have been at war I have sat in many meetings of businessmen, and I can tell you that the concern of management today is not with profits. Profits have been largely forgotten for the duration. But the concern of management today is with reserves. It would be only half a victory to win this war and then find ourselves so weakened by inflation or unwise taxation that business could not finance the transition to peace. Business and industry must remain strong so as to be in a position to reemploy men and women in peaceful pursuits. Machinery to build automobiles and washers and a thousand other things again will cost money—plenty of money. It will

be expensive to rebuild markets and reopen the channels of distribution.

"Businessmen are fearful that inflation will wipe out the reserves of our nation—the precious reserves upon which our standard of living must be rebuilt. Such inflation would be disaster to our nation second only to a defeat by the Nazis. The world's recovery from these dark days might be delayed a hundred years."

War Housing Needs Private Financing

The Government's program for production of war housing still calls for the building of 270,000 dwelling units in the 12 months immediately ahead by private enterprise and private financing, according to John B. Blanford, Jr., Administrator of the National Housing Agency, who indicated this in his first major public address, given at the recent annual meeting of the Metropolitan Chicago Home Builders Association.

Expressing appreciation of the work home builders through their national organization are doing in constant conference with government officials to find ways for meeting war-period difficulties, Administrator Blanford, and Earle S. Draper, now Deputy Commissioner of FHA, who also addressed the dinner meeting of 1,400 operative builders, emphasized the necessity of limiting all new housing construction at this time to the needs of in-migrant war workers, and the necessity that approximately 50% be rental housing. They underlined as No. 1 problem the problem of materials, said "We are doing and shall do everything we can to get materials to the builder."

Mr. Blanford said in part: "Our task is to meet war need and only that need. Best estimate of the War Manpower Commission is that we shall have 1,600,000 in-migrant war workers to house within the next 12 months. We estimate that nationally we can absorb approximately one-half of the in-migrants in existing housing. Our program contemplates four general types of housing: dormitories for single workers; family dormitory-apartments; temporary family dwelling units; family homes permanent in character wherever such units can be absorbed into the community. There we ask that private enterprise and private financing take over and do as much of the job as they possibly can.

"The materials situation is all-absorbing and most important. Here we face reality in all its darkness, get the real impact of the war.

"A few months ago housing was a step-child. On thousands of units of partially-completed housing work had to be delayed, suspended. Today the situation is a bit better. Housing is getting a hearing. WPB and NHA policy states in so many words that war housing is essential and that the materials for it must be made available. With this co-operation we are getting speedier processing of products, we are getting higher priorities and new procedures. We have gotten relief from the lumber order and gradually there is evolving smoother and, we hope, more effective procedures.

"It is our present policy and practice to feel that where there is permanent community need and where there are the materials for the job we should not waste those materials but should build the dwelling units."

"Tax To The Limit" War Financing Urged

A \$37,000,000,000 "realistic, tax-to-the-limit" war financing measure was approved in New York on Aug. 12 by the Executive Committee of the National Association of Manufacturers. J. Cheever Cowdin, Chairman of the N. A. M. Committee on Government Finance, who undertook a nationwide series of tax conferences for the Association before preparation of a report which formed the basis of the war measure, said:

"Every man, woman and child in the United States is directly and vitally affected by this tax bill, upon which may depend:

"1. Whether or not the United States will win this war of production; and

"2. Whether free enterprise, after the war, will be able to provide employment not only for all present workers, but for the fighting forces returning to peacetime pursuits.

"The business men of this country fully realize the desperate situation in which this war places all of us.

"No manager of a war plant, for whom we speak, would consider he were doing any less than his duty by paying taxes to the limit.

"To get a definite answer to the question, 'How much can the American people raise from business without impairing that war effort and without destroying the American system for which they are fighting?' the N. A. M. did three things:

"A. We made a complete and factual study of manufacturing companies' earnings for the twenty years up to 1940; and

"B. We made a confidential nationwide questionnaire survey of the 1942 earnings, profits and financial requirements of thousands of businesses, of every kind and character, in every State of the Union; and

"C. In every important industrial area from coast-to-coast, we talked to over three thousand business leaders and war manufacturers—they represented every State and all types of business, large and small."

Mr. Cowdin appeared before the Senate Committee on Finance on Aug. 13 when he presented the complete recommendations of the Association.

Dr. J. J. Schurman Dead

Jacob Gould Schurman, former American diplomat and noted educator, died on Aug. 12 in Memorial Hospital, New York City. He was 88 years old.

Dr. Schurman, who was President of Cornell University for 28 years, served as Ambassador to Germany from 1925 until 1930, at which time he retired. Among other diplomatic posts held by Dr. Schurman were Minister to Greece in 1912 and Minister to China from 1921 to 1925. He also served as first President of the Philippine Commission in 1899, by appointment of President McKinley, and helped to draw up the charter for the islands.

Navy Finance Advisers

The Navy Department announces the appointment of Tom K. Smith, President of the Boatman's National Bank of St. Louis, and R. M. Hanes, President of the Wachovia Bank and Trust Co. of Winston-Salem, N. C., as advisors to the finance section of the Navy's office of procurement and material. According to United Press accounts from Washington Aug. 9 the Navy said that both men would retain their present business connections but would be "subject to call for special consultation." It was added that their experience with "small as well as large banks throughout the country" was expected to be of "considerable assistance" in solving financial problems of Navy contractors.

Savings & Loan Funds Finance War Housing

Private capital to the extent of \$54,028,000 went to finance war housing in the second quarter of 1942 by way of the loans of savings, building and loan associations and cooperative banks, the United States Savings and Loan League reported on Aug. 15. Morton Bodfish, Executive Vice-President of the League, points out that these institutions lent within \$4,000,000 as much to house war workers during April, May and June of this year as they did for all kinds of home construction during the same period four years ago.

Since the WPB Order L-41 went into effect all construction loans are naturally counted as for war housing, Mr. Bodfish explained. Associations, it is stated, loaned \$15,930,000 for this purpose in June, the latest month for which figures are available. It represented 16.93% of the savings, building and loan total disbursement, which was the third largest for any month so far in 1942. It is likewise pointed out by Mr. Bodfish that:

"The \$94,095,000 which the associations loaned for all purposes in June was within 95/100's of 1% of the total for the previous month, and 55.38% of it went to finance the purchase of existing homes. Dollar volume for this purpose was \$52,112,000 as compared with \$55,973,000 in the same month last year, showing that the demand has shown no appreciable fall-off in this category. June was the third month so far this year when more than \$50,000,000 was loaned to buy homes.

Refinancing loans, many of which include major disbursements for the remodeling of homes from one to two or more dwellings, were a larger proportion, 16.14%, than in any month since January. Credit granted by savings and loan institutions for repair and modernization in June was the second largest amount of any month in 1942.

War Shortages Affect Printing Industry

America's printing and publishing industry, which has "suffered very little until now under the accelerating war program," must prepare to "cheerfully grub out its own salvation amidst the shortages of labor and materials that appear all too close," E. W. Palmer, Deputy Chief of the Printing and Publishing Branch of WPB, said in a speech on Aug. 10 to the International Association of Printing House Craftsmen in convention at Grand Rapids, Mich. Mr. Palmer stated that "while it is true that the industry does not use up beyond recovery any considerable tonnage or volume of the presently critical metals, it is likewise true that the industry must have certain vitally necessary materials if it is to exist."

Among the critical metals the industry needs, he said, are aluminum, antimony, copper and brass, chromium, iron, lead, magnesium, nickel, steel, tin and zinc. He added:

"Inks are comparatively easy at the moment; some chemicals are in the critical stage, others fairly easy; rubber is critical, shellac has been put under curtailment control; silver nitrate is definitely tight; nitric acid, of which the newspaper industry uses some 9,000,000 pounds a year, has not appeared on the critical list as yet; adhesives are becoming somewhat more difficult to obtain in large quantities."

Stitching wire, a constant need of printers as a necessary binding material for newspaper supplements, magazines, booklets and textbooks, should be conserved in every way possible, Mr. Palmer said, because of the critical iron and steel products situation. "Indications are that only a bare subsistence tonnage of stitching wire will be available so long as the present shortage of iron and steel supplies continues," he said. He urged newspapers to find a substitute for the iron wire used in tying bundles for delivery.

Buyers of printing papers, he said, should "limit their stockpiling to carefully estimated requirements for the early fall months." Mr. Palmer went on to say:

"Today, in anticipation of a possible transportation stringency this fall, the provisions of Priorities Regulation No. 1 have been relaxed to permit accumulation of a heavier inventory of printing papers and this should obviate another immediate shortage provided buyers limit their stockpiling."

"One of the serious aspects of the paper supply is the varied uses to which paper and board are being put as substitutes for metals and other critical materials. The printing industry must anticipate many conversions to paper and paper products from the now critical metals. If it can 'cash in' by fitting its facilities to the making of new products while such new products are being developed, it will have gone a long way towards solving a major part of its serious problem of finding adequate printing volume."

Regarding conversion of the industry generally, he said:

"It is fairly clear to the average citizen that an industry easily converted to direct war effort stands a much better chance of 'living through' than an industry like the printing and publishing industry, essential to the civilian economy, morale and comfort though it may be, but with practically no possibility of conversion to direct war effort."

While the industry has seldom encountered a shortage of labor, Mr. Palmer pointed out that 7,348 men from the industry had already been called to the armed services up to June 30. The number includes 1,474 compositors, 102 electrotypers and stereotypers, 501 lithographers, 222 photo-engrav-

ers, 2,432 printers and 2,617 other printing craftsmen. "It is conceivable that the selective service drag on the industry will assume an accelerated ratio in the very near future," he said.

Intensify Effort To Remove Fire Hazards

With the issuance of a proclamation by President Roosevelt, designating the week of Oct. 4 to 10 as Fire Prevention Week, the Chamber of Commerce of the United States has intensified its plans for bringing about the widest and most effective observance of the event.

President Roosevelt, in his proclamation issued Aug. 5, called upon the people of the country "to give special heed to the importance of taking active measures, during that week, and throughout the year, to conserve our human and material resources from the destructive toll of fire." At the same time, the President directed the Office of Civilian Defense and other Federal units to initiate programs for stressing the importance of attaining the objectives sought in the fire prevention effort. He also asked State and local governments and other agencies to promote observance. In its announcement the Chamber of Commerce said:

"For the last 20 years the National Chamber, with its 1,750 member organizations representing an underlying membership of nearly a million business men, has collaborated with government agencies and 31 other organizations comprising the National Fire Waste Council in making Fire Prevention Week a significant occasion in reducing the Nation's enormous annual fire waste. Particularly effective in this program have been the nearly 600 chambers of commerce in as many cities which participate in the Chamber's annual Inter-Chamber Fire Waste Contest."

"In 1941 the national fire loss amounted to \$304,000,000 and for the first six months of this year the loss approached \$171,000,000, or 4% greater than the comparable period in 1941."

"Every year fire takes a toll of 10,000 lives throughout the country and a very much larger number of people are injured by fire. In the first six months of 1942 there were 38 large fires in the United States, each involving an estimated loss of \$250,000 or more, many of which were in war production plants or in essential wartime facilities such as warehouses, ships and piers. But in some cases even small fires occurring in plants, under subcontract making some essential part for large airplanes or other implements of war, have held up assembly lines of large war production factories."

"In this critical year when every fire diverts material and manpower from decisive war production, interrupts and impedes the war program and in many cases destroys vital materials and facilities that cannot be replaced during the present emergency, it is especially important that all public and private organizations join together in an intensive effort to eliminate fire hazards and to take essential steps for fire protection."

"Today when full war production is the concern of every citizen, we simply cannot afford our costly peacetime national extravagance of preventable fire losses. It is, therefore, the duty of every person and every organization throughout the whole Nation to eliminate all ordinary fire hazards and to give fullest cooperation to national and local government agencies in all essential measures for protecting industrial plants, civilian population, and vital resources from uncontrolled fire that may occur from any cause."

Newspaper Pressmen Win Pay Increase

A new contract between 13 members of the Publishers Association of New York City and the New York Newspaper Printing Pressmen Union, Local 2, providing for an increase of 50 cents a shift for the pressmen, went into effect on Aug. 11.

The pay increase was the result of an award handed down Aug. 10 by George W. Alger, Chairman of a five-man arbitration board, which conducted hearings from March 17 to April 15. Regarding the pay increase, the New York "Times" of Aug. 12 added:

"The 50-cent increase per shift will be tantamount to a weekly increase of \$2.50 for each man, since the new contract also provides that, except for foremen and assistant foremen, members of the union shall not work more than five days a week unless the union is unable to furnish substitutes."

"Under the new contract, rates for pressman-in-charge are \$13.25 for night work and \$12.75 for day work. Journeymen pressmen will receive \$11.75 for night work and \$11.25 for day work. Extras who work less than three shifts a week also get a bonus of 50 cents for each shift worked."

"The wage increases were made retroactive to July 1."

"Hours and working conditions of the old contract, which expired June 30, 1940, remained unchanged except that the award added one man to a three-unit press."

Lend-Lease Farm Product Deliveries To July 1

Agricultural commodities from farms and ranches in every one of the 48 States are contributing to swell the volume of foodstuffs which the Agricultural Marketing Administration is delivering for shipment to the United Nations, the Department of Agriculture said on Aug. 8.

The Department further explained:

"Figures on Lend-Lease deliveries of food products to July 1 show that nearly every American dinner-table standby from pork to spinach has been drafted for the Allied armies now fighting back the high tide of Axis attacks. Increasing amounts of fruit concentrates, dehydrated foods and vitamins are being purchased for shipment to the armed forces of the United Nations, and to help ward off hunger and disease among the children and civilians behind the lines."

"More than doubling the volume of the previous month, in June the Agricultural Marketing Administration laid down at ship-side some 586,000,000 pounds of farm products and processed foods. Total deliveries since the start of the program in April, 1941, aggregate 5,769,000,000 pounds, costing approximately \$806,000,000."

"Among the various commodity groups, the largest volume delivered to representatives of the United Nations in June was in grain and cereal products which amounted to 187,000,000 pounds. The second largest volume was in the grouping which includes meats, fish and fowl, June deliveries of which exceeded 119,000,000 pounds. In other commodity groups, items showing relatively large deliveries included cheese, dry skim milk, dried apples, canned beets and carrots, concentrated citrus juice, canned and dried pears, processed strawberries, lard and canned potatoes."

"New commodities delivered in June for the first time included dry whole milk, rye flour, canned turnips, parsnips, soup broths, dried currants and dried figs."

A Safe Haven For Investment Funds

Individual investors, trustees and other* fiduciaries interested in becoming acquainted with the Federally insured investment opportunities offered by savings and loan associations should write for current explanatory literature to the associations mentioned below. When doing so please mention the "Chronicle."

- **Atlanta Federal Savings & Loan Association**
22 Marietta Street, Atlanta, Ga.—Write for free booklet, "A Safer and Better Plan."
- **Business Men's Federal Savings and Loan Association**
608 Main Street, Cincinnati, Ohio.
- **Danielson Federal Savings and Loan Association**
84 Main Street, Danielson, Conn.—Write for free booklet and information.
- **Equitable Savings and Loan Association**
314 E. Wisconsin Avenue, Milwaukee, Wis.
- **First Federal Savings and Loan Association of Detroit**
150 West Fort Street, Detroit, Mich.
- **First Federal Savings and Loan Association of St. Paul**
350 Cedar Street, St. Paul, Minn.
- **First Federal Savings and Loan Association of Wewoka, Okla.**
- **Fletcher Avenue Saving and Loan Association**
150 East Market Street, Indianapolis, Ind.
- **Fulton County Federal Savings & Loan Association**
Ground Floor, Trust Co. of Georgia Building, Atlanta, Ga.
- **S. R. Gaynes & Co.**
225 Broadway, New York, N. Y.—Write for booklet F.
- **Guaranty Savings and Loan Association**
2004 Second Avenue, North, Birmingham, Ala.
- **Hinsdale Federal Savings and Loan Association**
8 East Hinsdale Avenue, Hinsdale, Ill.
- **Northern Federal Savings and Loan Association**
4th and Cedar, St. Paul, Minn.
- **Northwestern Federal Savings and Loan Association**
823 Marquette Avenue, Minneapolis, Minn.
- **Oak Park Federal Savings & Loan Association**
104 North Marion Street, Oak Park, Ill.—Write for booklet.
- **Olympic Savings and Loan Association**
6201 West Cermak Road, Berwyn, Ill.—Write for detailed description.
- **Peoples Federal Savings and Loan Association**
1700 West 21st Street, Chicago, Ill.
- **St. Paul Federal Savings & Loan Ass'n of Chicago**
2116 West Cermak Road, Chicago.—Write for 105th Semi-Annual Report.
- **Twin City Federal Savings & Loan Association**
Eighth and Marquette, Minneapolis, Minn.
- **Union Federal Savings and Loan Association**
160 East Market Street, Indianapolis, Ind.

*Guardians, insurance companies, State, school and municipal sinking funds, firemen's, police and other pension funds, etc.

Home Loan Bk. System Has 10th Anniversary

Mile-stones in the growth of the Federal Home Loan Bank System in a single decade to a national credit reserve serving home-financing institutions with assets of \$5,500,000,000 are recalled in the tenth anniversary issue of the "Federal Home Loan Bank Review."

The member institutions of the Bank System, now numbering 3,815, have made home loans aggregating more than \$1,000,000,000 for each of the past two years, the August "Review" points out, and now serve 7,000,000 investors and borrowers. They have drawn upon the System for nearly \$1,000,000,000 in credit.

Letters from President Roosevelt and John B. Blanford, Jr., Administrator of the National Housing Agency, to Commissioner John H. Fahey of the Bank Administration, appear in the "Review." Recalling the early struggles to establish the System "as an essential source of credit in the distressed mortgage field," the President's letter concluded:

"The steady development of the System during even trying years provides an outstanding example of the useful productive strength which can be turned to the benefit of society through intelligent cooperation between government and private industry."

In tracing the history of the Bank System, the "Review" re-

calls "the bitter experiences of the depression which brought this national credit reservoir into being."

"Real estate prices collapsed. New building activity declined rapidly. Foreclosures rose at a disastrous rate. The flow of savings into financial institutions dried up, while falling confidence and shrinking income caused increased withdrawals of accumulated funds. Home mortgage lending came to a stand-still. Mortgages became unmarketable and almost useless as collateral for credit because there was no organized machinery to meet this particular need."

"This situation set the scene for developments that culminated July 22, 1932, when the Federal Home Loan Bank Act became law. On November 22, 1932, the first member was admitted and on Dec. 15 the first credit advance was made by one of the Regional Banks. By Dec. 31, 101 thrift and home-financing institutions were members."

"By June 30, 1942, gross advances of almost \$929,000,000 had been made to members, providing them with home financing funds, and repayments have totaled more than \$736,000,000. All of this credit financing has been accomplished without a single loss in the 10 years' operations."

The Bank System's membership consists of savings and loan associations, homestead associations, cooperative banks, mutual savings banks and insurance companies.

Only Getting Stride On Arms Production

President Roosevelt informed the nation on Aug. 9 that "great progress has been made in the battle of production but, in terms of what will be required to defeat our enemies, we have only just begun to get into our stride."

The President's statement was read at a special nation-wide radio broadcast, directed by Elmer Davis, head of the Office of War Information, marking the presentation of the first Army-Navy production awards to management and workers for outstanding service. Mr. Roosevelt called on the people to turn out the weapons of war without interruption "to produce the victory which will again establish the tradition of free men throughout the world."

The program also consisted of brief addresses by high Government, labor, military and naval officials. Among these were Admiral William D. Leahy, the President's chief-of-staff, who spoke from Washington; Admiral Chester W. Nimitz, commander-in-chief of the United States Pacific Fleet, who broadcast by short wave from "somewhere in the Pacific," Lieut. Gen. Dwight D. Eisenhower, Commander of the United States forces in the European theatre, who spoke from England; William L. Batt, Vice-Chairman of the War Production Board; Robert P. Patterson, Under Secretary of War; James V. Forrestal, Under Secretary of the Navy; William Green, President of the American Federation of Labor, and Philip Murray, President of the Congress of Industrial Organizations.

The President's statement follows:

"Great progress has been made in the battle of production, but in terms of what will be required to defeat our enemies we have only just begun to get into our stride. To win this war, an unceasing flood of warships and materials must pour forth from the factories, shipyards and mines of our country.

"The men and women of management and labor who provide such material are performing a task without which victory would be impossible. The Army and Navy, united in their efforts today as never before in the history of our country, have established a civilian decoration to be called the Army-Navy production award. This award will be conferred on war facilities in which notable production records are achieved, and on the men and women who work in them.

"An Army-Navy flag flying above a factory or a mine will bear witness that management and labor there are doing their utmost to help their Army and Navy to win this war. Any Army-Navy emblem, worn by a civilian, will evidence outstanding service in the greatest production force in the world today—a united and free army of American workers.

"The united efforts of our Army and Navy striking at the enemy on every continent and every ocean, and of our people at home working without interruption to turn out the weapons of war, cannot fail to produce the victory which will again establish the tradition of free men throughout the world."

Payment On Panama Bonds

Holders of 26-year 3½% external secured refunding bonds, series B, due March 15, 1967, of the Republic of Panama are being notified that \$101,000 principal amount of these bonds have been drawn by lot for redemption at 102½ of the principal amount. The bonds will be redeemed on Sept. 15, 1942, at the head office of the fiscal agent, the National City Bank of New York, 55 Wall St.

NWLB Grants Raise To N. Y. Bldg. Employees

The National War Labor Board on Aug. 3 unanimously decided to increase the wages of building service employees in New York City because of changes in the cost of living since January, 1941, and because of currently existing inequalities. The Board's announcement says:

"The Board's decision settles a dispute over the renewal of a master agreement which now covers 2,225 apartment, office and loft buildings in the Borough of Manhattan, represented by the Realty Advisory Board on Labor Relations, Inc., and approximately 21,000 employees represented by the Building Service Employees International Union, AFL. The terms of the Board's decision will be incorporated into a new master agreement, which will then be open for acceptance by these and other buildings in Manhattan.

"The Board's decision, which accepted with minor revisions the unanimous recommendations of a panel composed of Ralph T. Seward, Dale Purves and Frank Tobin, contains the following major provisions:

"1. The Board increased the minimum wages which increases will be retroactive to April 20 by agreement of the parties, as follows:

Class	Present Wages	Union Demands—Weekly	Rates Ordered
1. Office Buildings—Weekly			
A	\$29.00	\$33.35	\$32.33
B	27.75	33.30	31.08
C	26.00	31.20	29.33
2. Loft Buildings—Weekly			
A	\$27.75	\$31.91	\$31.08
B	25.75	30.90	29.15
C	25.00	30.00	27.50
3. Apartment Buildings—Monthly			
A	\$106.00	\$121.00	\$121.00
B	96.00	116.00	111.00
C	86.00	106.00	101.00

The Board also states in part: "The arbitrator set up under the Board's decision will have the power to grant relief . . . in respect to wages and hours for any particular building . . . to prevent undue hardship, injustice or inequality."

"The Board increased the annual vacation allowance of six days for all employees who have worked a year or more, by providing an additional two days' vacation for each additional year of employment up to a total of 12 days for four years.

"The Board ordered that the hours of work in lofts and office buildings be reduced from 59 to 54 a week for watchmen and from 47 to 46 a week for other employees. The hours for apartment house day men were cut from 53 to 51 and, for night men, from 62 to 60 a week.

"The Board granted a maintenance of membership clause which will not be binding upon employees until the building where they are employed has signed the contract. Up until that time, employees will have the right to resign from the union if they do not wish to be bound by the clause. The union had asked for a closed shop."

Insolvent National Banks Liquidated

Comptroller of the Currency Preston Delano announced on Aug. 12 that during the month of July, 1942, the liquidation of ten insolvent national banks was completed and the affairs of such receiverships finally closed. The announcement states:

"Total disbursements, including offsets allowed, to depositors and other creditors of these ten receiverships, amounted to \$29,726,606, while dividends paid to unsecured creditors amounted to an average of 77.52% of their claims. Total costs of liquidation of these receiverships averaged 7.11% of total collections from all sources, including offsets allowed.

"Dividend distributions to all creditors of all active receiverships during the month of July, amounted to \$1,215,664."

Employee Absenteeism Is Serious Problem Create Post-War Ind. Plant Commission

Because the developing labor shortage demands the utmost utilization of available man hours and because the utmost utilization of man hours creates a situation conducive to "taking time off" without legitimate reason, American industry is today giving more attention to absenteeism and to the means of reducing it than ever before, according to a forthcoming study by the Conference Board. The Board says:

"Quite apart from necessary absence resulting from illness or injury, workers take time off to shop, to get haircuts or for other trivial personal reasons, thus making voluntary absenteeism of great importance now, and it will be of increasing importance for the duration of the labor shortage. It is the purpose of employers to reduce this voluntary absenteeism to a minimum at the same time that they endeavor to prevent, so far as possible, illnesses and accidents and to reduce the time required for recovery."

In analyzing the situation the Board states:

"As in Great Britain, the present American shortage of labor has been translated into longer hours for workers on the job, and greatly increased wages through consequent payments for overtime. With more money, workers are inclined to take time off to spend their increases. Nor is this a situation which will be remedied by a decrease in possible purchases; instead, it raises still another problem. When increases in wages meet a corresponding decrease in the available consumers' goods, the value of the dollar is lowered to an employee. When a worker is unable to spend his dollars, the money incentive of his job is tremendously decreased so that, beyond a certain point, money may be less important than the time it represents."

The Board also has the following to say:

"Certain companies have reported great success from a modernized version of the old suspension - and - discharge disciplinary procedure. By analyzing absenteeism by days-of-the-week, these employers have discovered that it is highest on regular work days and lowest on pay days and days when time-and-a-half or double-time is paid. It was found that some employees would work on Saturdays and Sundays for the premium rates, and then take a corresponding number of days off during the week when regular wage rates were in effect. A solution, therefore, was to pay premium rates on weekends only when they represent an excess of work hours over the normal, full-week schedule, or to refuse to allow employees to work on Saturday or Sunday unless they had worked their regular schedule during the week."

OPA Limits Bicycle Sales

The Office of Price Administration on Aug. 10 amended its bicycle rationing order by further restricting the list of persons eligible to buy. The revised list, effective Aug. 15, is slightly broader than the automobile and tire rationing lists. It was explained that the War Production Board's recent order halting bicycle production at the end of August necessitated the change. The new regulations are designed to direct the limited supply of new adult bicycles into "essential transportation uses." The OPA issued a list of occupations eligible for bicycles, replacing the broad, original list which was drafted in expectation of a continuing supply. Under the order, the OPA includes a restriction so as to prevent the buying of new bicycles to save tires and gasoline for non-essential driving.

Because of the important effect which our industrial plant pattern will have upon the future of American cities, the Society of Industrial Realtors has created a special commission to make a study of today's industrial developments as they relate to post-war urban readjustment. The Post-war Industrial Plant Commission, whose work is expected to aid immediately in the all-over enlistment of industrial facilities for the war effort, will go into these among other questions:

"(1) What should be considerations in location for continuing industrial activities;

"(2) Conversion of war-used plants back to domestic activity;

"(3) What should we do with temporary war plant facilities if we find them not needed in the post-war period;

"(4) Best utilization of plants that should be permanent in their character."

Charles J. Mitchell of Philadelphia has been named Chairman of the new committee by Walter S. Schmidt, President of the Society. The other members of the committee are: E. M. Boerke, Milwaukee, Wis.; Roy Seeley, Los Angeles, Calif.; Bethel T. Hunt, Memphis, Tenn., and Henry W. Merrill, Boston, Mass.

The Commission will meet in Washington late this summer and expects to hold an all-day panel discussion in connection with the annual meeting of the National Association of Real Estate Boards to be held in St. Louis, Nov. 18-21.

Brazil Rubber Financing

A new agency for financing rubber operations was authorized in Brazil in July 10, according to a recent advice to the Department of Commerce. The new rubber organization will have as its purpose the furthering of the Washington Accord of March 3, 1941, signed by the Brazilian Government and the Rubber Reserve Company, said the advices made available by the Department of Commerce which added:

"The agency, known as Banco de Credito da Barracha, will make loans to rubber producers for purchasing necessary equipment, for development of transport between the various centers, and for sanitation and colonization. It will have an exclusive right of purchase and sale of rubber of all types and qualities. The agency will be administered by a board composed of a president and two directors, one of which will be an American. Powers and functions in relation to the Brazilian rubber industry formerly vested in the Banco do Brasil are transferred to the new agency.

Newsprint Output Down

North American newsprint production in July was 338,236 tons, compared with 406,223 tons a year ago, a decline of 16.7%, according to figures issued Aug. 12 by the Newsprint Service Bureau. The seven months' total output was 3.1% below last year—2,635,548 tons, as against 2,720,901 tons.

Canadian production in July amounted to 241,178 tons, while shipments totaled 243,620 tons. The United States' output was 76,952 tons and shipments, 76,181 tons, while Newfoundland produced 20,106 tons. It is further stated that stock of newsprint at the end of July were 156,446 tons at Canadian mills and 17,820 tons at United States mills, making a combined total of 174,266 tons, compared with 175,937 tons on June 30, 1942, and 169,768 tons at the end of July, 1941.

OPA Clarifies Stand On Rent Adjustments

Factors constituting a "major capital improvement," one ground on which landlords may petition for increases in rents, are clarified further in a statement issued Aug. 12 by the Office of Price Administration. The latter's announcement states:

Maximum rent regulations when issued for a defense-rental area cut rents back to what they were on the maximum rent date with certain exceptions, one of which is when a landlord has made a substantial change in the housing accommodations by a "major capital improvement" since the maximum rent date. When the improvement has been made before the regulation goes into effect in an area, the maximum rent is the first rent after the improvement subject to review by the Area Rent Director. When the improvement is made after the regulation goes into effect, the landlord is not entitled to an automatic increase in the rent; however, he may petition the Area Rent Director for an upward adjustment of the maximum rent.

Maximum rent regulations have been issued thus far for 96 defense-rental areas.

The statement places a "major capital improvement" in one of three categories: (1) a structural addition; (2) a structural betterment; (3) a complete rehabilitation, and defines and illustrates all three.

Another point made in the statement is that "even though a major capital improvement is made, it does not necessarily follow that an adjustment in the maximum rent is justified." The improvement must result in a material increase in the rental value of the accommodations.

Steel Mission To Britain

Appointment of an American steel mission to Great Britain, as a "move to attack this basic war production problem of the two countries on a united basis," was announced on Aug. 8 by the Combined Production and Resources Board in Washington. The Board at the same time expressed the hope that a similar British mission would come to this country after the American group returned.

The American mission will be headed by Charles R. Hook, President of the American Rolling Mill Co. Other members are Paul F. Schucker, of the War Production Board's Iron and Steel Branch; Lt.-Col. Paul P. Llewellyn, U. S. Army; Captain G. A. Duncan, U. S. Navy; Walter S. Tower, President of the American Iron and Steel Institute; Earl C. Smith, of the Republic Steel Corp. The announcement stated:

"The capacity of the United States and Great Britain to make weapons of war out of steel is now greater than their joint capacity to produce steel. The combined board therefore considers it important that every pound be used as efficiently as possible in both countries so that the greatest possible number of tanks, planes, ships, and guns may be thrown against the enemy."

The mission will study, among other things, the British system for control of steel production, allocation and distribution; how the programs of the two countries can be brought into better balance so that plates, shapes, structural steel and other materials can be produced in the proper ratio; whether increased production and savings in shippings can be effected by ending more ingot steel and less finished weapons to Britain or vice versa; and which theaters of war should be supplied by each country in order to save shipping space.

Calls For Increased Raw Material Output

An appeal for increasing the flow of raw materials to the fabricating plants was made on Aug. 9 by Elmer Davis, Director of the Office of War Information, in an address on the special Army-Navy Production Award broadcast over the Columbia Broadcasting System. Calling for more steel, copper, other metals and lumber, Mr. Davis said that now there is also need for "a program of intelligent allocation to bring the whole production picture into balance, harmonizing one phase with another." He added that the Army, Navy and War Production Board are working on this latter plan.

Explaining the reason for "all the clamor now for raw materials," the OWI Chief said that after Pearl Harbor the Government went out for the manufacture of finished products—tanks, planes, guns and ships. He further said that the first job of converting peacetime factories to war arsenals has mostly been accomplished and, while production is not yet satisfactory, the machinery for adequate production is on the whole available. Mr. Davis went on to explain that the global war now being fought will demand an immense amount of materials and to supply the machinery the emphasis must be transferred from finished products to raw materials.

Shipping Priority On 500 Import Items

The War Production Board announced on Aug. 6 that it has placed some 500 items of import from all parts of the world on an emergency shipping priorities list as vital to the nation's wartime economy.

Only items on this list, the WPB said, will be assigned space that becomes available on ships controlled by the War Shipping Administration which are bound for the United States, with the exception of lower-rated cargoes from the Caribbean area, the territorial and insular possessions of the United States, the British Isles, Canada and Newfoundland, where shipping space that has not been exhausted by items on the emergency list may be used. The list is subject to addition and revision in the future as needs change.

The WPB announcement further stated:

"The War Shipping Administration has agreed to limit cargoes carried on ships under its control to the emergency list in order to save shipping time. All ships belonging to belligerent United Nations countries are affected. Neutral ships which are not under complete control of the WSA may carry only such cargoes as conform to the regulations of General Imports Order M-63 if the cargo is to be legally imported into the United States.

"Heretofore, for over a year, priorities on imports have been in effect, but after essential cargo had been moved, non-priority cargo could be loaded. Now that the WSA has decided, in order to save shipping time, to load only priority cargo, the publication of the list is essential. No publication of tonnages, source areas, or comparative ratings can be made for reasons of public policy.

"The materials are listed with an indication of which section of the order governs them, if any, and a brief explanation of procedure.

"The Stockpile and Shipping Branch of the War Production Board, which has compiled the list, said that publication was designed to help further the importing of raw materials of an essential nature to the nation's factories and plants at a time when

ships' space is extremely valuable and cargoes of uncertain value are offered in competition with those more essential.

"Many of the priority materials are subject to the provisions of M-63. This order separates many items of import into classes which are dealt with on the basis of their importance to the war effort. There is also in effect a quota system so that certain types of cargoes shall be carried up to an allocated quota only when a certificate is issued. This Certificate System also gives cargoes of special immediate importance a preferential treatment in the assignment of ships' space.

"General Imports Order M-63 is divided into three parts. The first two lists are made up of critical and strategic materials, important in varying degrees to the war effort, whereas List III is made up of less essential civilian items of which shipping space only permits that a limited quantity at best can be brought into the country because of the stringent shipping situation. Private purchases for import of the items under M-63 (all lists) are permitted only by exemptions issued by the War Production Board, through the Stockpile and Shipping Branch."

Wage-Hour Ruling

The time spent by an outside employee driving an automobile on business of his employer must be considered as time worked under the Fair Labor Standards Act, according to an opinion released Aug. 3 by the Wage and Hour Division, U. S. Department of Labor, according to advices from the Wage and Hour Division in New York, which said:

"The Division's statement of its position was specifically directed to the case of an insurance company with outside employees engaged in the insurance business, but it was pointed out that the principle involved would apply equally to other outside employees.

"Since an employee who drives an automobile is required to expend continuous effort and energy and has no opportunity to relax, sleep, eat or otherwise pursue his own interests, it is the opinion of the Wage and Hour Division," the statement said, "that all the time which an employee spends in driving an automobile on the business of his employer is time worked under the Fair Labor Standards Act. If, however, an employee works regularly at a fixed place of employment, the time he spends driving to and from work is not ordinarily to be considered time spent on the business of his employer and need not be treated as hours worked."

Steel Plant For Mexico

The Export-Import Bank of Washington announced on Aug. 12 a loan of \$6,000,000 to Mexico to help build the proposed Altos Hornos Steel plant at Monclova, State of Coahuila, Mexico. The Bank said "the loan funds will cover the cost of new and second-hand equipment and materials and of services in the United States; expenditures for Mexican materials, transportation and services are being met with proceeds of sale of stock of Altos Hornos de Mexico, S. A., in Mexico." It is said that the credits were secured by notes of Nacional Financiera, S. A., which were, in turn, guaranteed by the Mexican Government.

The Export-Import Bank also announced, according to the Associated Press, that it had consented to more rapid use of last year's \$30,000,000 credit to Mexico to build highways. The original loan limited its expenditures to a maximum of \$10,000,000 a year; but this restriction has been eliminated, particularly to expedite the building of the inter-American highway from Mexico City to the border of Guatemala.

Queen Wilhelmina Addresses Congress

Queen Wilhelmina of the Netherlands was formally welcomed to Washington on Aug. 5 on a state visit. President and Mrs. Roosevelt, who met the Queen earlier in the day at the railroad station, gave a state dinner in the evening at the White House for the guest of honor. At the dinner, attended by Dutch and American diplomatic, military and political figures, the President, in his toast to the Queen, recalled the part played by the Dutch people in the colonization of this country and pledged enduring friendship between the two nations. He also praised the Queen for her "great leadership and high achievements. Queen Wilhelmina, in reply, declared a toast to Mr. Roosevelt's health as "head of this great country and of the success of its armed forces."

Following is the President's toast to Queen Wilhelmina:

"I think that all of us at this table tonight realize the symbolism of the visit of Her Majesty to this country of ours. We know the great part played by the Dutch people in the exploration and colonization that began in the earliest days of American history.

"And we remember that very soon after we engaged in war to gain our independence, it was a Dutch officer on a Dutch Island in the West Indies who fired one of the first salutes to the Flag of the United States carried on an American warship under the command of Captain Isaiah Robinson.

"The friendship between our great nations has never ceased. It has been the friendship of peoples who lived for the same kind of human rights and the same kind of national independence.

"May I add a personal note? The people of this great democracy everywhere hold the head of the Netherlands' Nation in respect not alone for her great leadership and high achievements, but they have in addition a deep and affectionate regard for her personality as the Mother of her people.

"My wife and I will always remember the privilege we have had, and are having, in a personal friendship with her and her daughter and her grandchildren. That friendship will always endure.

"All of us here tonight join in a toast to the Queen."

In response to the President's toast, the Queen said:

"I am greatly touched by the friendly welcome you and Mrs. Roosevelt have extended to me at the White House.

"This visit to this capital city is to me the culminating point of my stay in the United States.

"Great thoughts have been thought here, and great decisions taken, and the portraits of your predecessors which adorn these walls are a most expressive epitome of America's stirring history.

"I know that, when you make me feel a welcome guest, your thoughts are, like mine, with my country, where at this time, in East and West, oppression breeds resistance, and cruelty increases determination to hold out.

"These hard times will pass, and when at last victory will be ours, my compatriots like myself will know that this will be largely thanks to American spiritual and material forces alongside those of the other United Nations.

"I therefore raise my glass to drink the toast of your health, Mr. President, as the Head of this great country, and of the success of its armed forces."

On Aug. 6 the Queen addressed a joint session of Congress and received from President Roosevelt at the Washington Navy Yard a submarine chaser, transferred under the provisions of the Lend-Lease Act. Queen Wilhelmina also on Aug. 6 placed wreaths on

Washington's Tomb in Mount Vernon and on the Tomb of the Unknown Soldier in Arlington Cemetery.

In her address to Congress, the first ever made by a reigning Queen, Queen Wilhelmina said that "no surrender" remains the constant motto of her people and pledged that in the war "we are with you and the other United Nations to the last." Saying it gave her great pleasure to appear before the members of Congress, the Queen declared:

"Seeing this great democratic assembly, renewing itself at regular intervals and meeting under self-made rules of law, seems to me a sure guarantee that liberty is forever young and strong and invincible, whereas the autocrat, incapable of rejuvenating himself, is every day nearer his end, his regime doomed to die with him."

She further related the extent to which the Dutch are cooperating, both in resources and manpower.

Speaking of her country's war and peace aims the Queen asserted:

"We have adhered to the Atlantic Charter, and our lend-lease agreement with the United States points the way to wise international economic planning.

"We want nothing that does not belong to us.

"We want to resume our place as an independent nation on the fringe of the Atlantic, on the dividing line of the Pacific and the Indian Oceans and to remain your good neighbor in the Caribbean Sea, and we accept the responsibilities resulting from that situation.

"And above all, we want to see suitable measures taken in order that henceforth no nation may think it can, with impunity, break its pledged word or attack others."

The Queen's official visit to Washington was concluded on Aug. 7 when she attended the President's press conference and decorated five American naval officers for their part in the defense of the Netherlands East Indies.

The remarks of the President on the occasion of the transfer of a ship under the Lease-Lend Act, follow:

"Your Majesty:

"From the earliest days of history, the people of The Netherlands—your people—have been willing to fight for their freedom and independence. They have won out in the face of great odds.

"Once more they are fighting for that independence. Once more they will win and maintain it.

"We, too, are fighting for our freedom and it is natural and right that The Netherlands and the United States have joined hands in the common struggle.

"The gallant exploits of your countrymen have won the admiration of all the other peoples of the world—first, in The Netherlands itself and later in the Netherlands' Indies where, in the face of overwhelming numbers, your sons and our sons went down fighting to the bitter end on land and sea and in the air. Their memory inspires us to redouble our efforts for the cause for which they gave their lives.

"The Netherlands' Navy is today adding fresh laurels to those already won in battle from the North Sea to the Java Straits. We Americans can know no better cause than to assist your gallant Navy.

"It is, therefore, as a tangible expression of our admiration for all that the Netherlands' Navy has done, and is doing, that I have the great pleasure of turning over to you, under the provisions of the Lend-Lease Act, this ship.

"Built by American workers in American yards, she will hereafter fly the brave Ensign of The Netherlands.

"And she will bear the name of one who has come to stand in the eyes of the world as a symbol of

Netherlands' courage and Netherlands' determination.

"For it is as the 'Queen Wilhelmina' that she will embark upon her new career.

"I ask Your Majesty to receive this ship as a symbol of the friendship and admiration of the people of the United States."

In responding the Queen said:

"Mr. President: "I am very happy that the transfer of this vessel under the provisions of the lend-lease agreement takes place during my presence in Washington. This enables me to thank you personally for your gracious initiative and for your continued personal interest.

"I see in this ceremony fresh evidence of the excellent spirit of friendship which ever since the days of Paul Jones has existed between our two navies.

"This admirable vessel, replete with the most modern technical devices, is a valuable addition to our naval forces.

"It will operate in close collaboration with the United States Navy against our common enemies. The officers and crew will do all they can to live up to the friendly thought to which we owe this new unit of our Navy.

"I have gladly accepted your suggestion to give it my name.

"May your love of the sea and of seamanship pervade this vessel and inspire those on board.

"With this wish I now commission the Queen Wilhelmina."

The Queen on Aug. 15 presented to over 80 Netherland aviators the Order of King William, the highest Netherlands' award, for their courage and skill in fighting in the Dutch East Indies. The ceremony took place at Pittsfield, Mass.

A previous reference to the Queen's visit to this country appeared in our Aug. 6 issue, page 468.

Farmers' Deposits In Land Banks Increase

Farmers' "rainy day" funds are increasing in the Federal land banks and borrowers have deposited since last September in excess of \$10,000,000, the U. S. Department of Agriculture said on Aug. 5. "This shows that farmers generally see the value of putting their financial house in order during a period of good prices for agricultural commodities," said A. G. Black, Governor of the Farm Credit Administration. "Just prior to last year's harvest the FCA suggested that land bank and Commissioner borrowers deposit funds with the land banks to be used in future retirement of their long-term debts. The results have been gratifying, and I anticipate deposits will increase materially following the sale of this year's crops." Mr. Black added:

"Deposits in the future payment fund only partially indicate the extent to which farmers are getting out of debt. Pay-offs on principal of land bank loans last year amounted to about \$129,000,000, of which \$56,000,000 represented loans paid in full prior to maturity. During the first quarter of this year the tempo of pay-offs has stepped up. Over \$43,000,000 in principal payments, a 45% increase over the first quarter of 1941, were made by land bank and Commissioner borrowers. More than \$22,000 of this amount represented loans paid in full prior to maturity, or 70% greater than payments made during the same period last year."

As further indication of the improved financial position of farmers, Governor Black pointed to the fact that payments on over 90% of Federal land bank loans are up to date, a substantial improvement over the last few years. Also, the number of foreclosed farms and sheriffs' certificates held by the banks and corporation has been reduced from 31,673 in 1940 to 15,385 in 1942.

Nat'l Feed Wheat Program

In order to make full use of the Nation's tremendous wheat reserves in maintaining current record production of war-needed livestock products, the U. S. Department of Agriculture, announced on Aug. 6 a national feed wheat program. The announcement states that the action follows recent Congressional provision for the sale of 125,000,000 bushels of Government-owned wheat at prices not less than 85% of the parity price for corn. Prices at which farmers and others may purchase the feed wheat for August delivery range from 74 to 99 cents throughout the country.

"Congressional approval of the feed wheat program represents a most important contribution to our Food for Freedom Program and consequently to the war effort," said Secretary of Agriculture Wickard, who added:

"With what, on the one hand, piled on the ground for lack of storage space, and food supplies, on the other hand, being used faster than they are replaced, this feed wheat program is eminently sound and sensible.

"With the passing of each day, the importance of abundant food supplies in the war effort becomes more evident. The demand is increasingly for the concentrated animal protein products. That is why this nation must convert its grain supplies into livestock products as rapidly as possible. We are extremely fortunate in having these ever normal granary supplies to throw into the battle for the United Nations at this time."

The Department's announcement further said:

"Largely because of increased livestock numbers, the corn carry-over on Oct. 1 of this year is expected to be nearly 150,000,000 bushels smaller than the 646,000,000 bushel carry-over a year earlier. On the other hand, it is estimated that today's record supply of wheat is large enough, to take care of the nation's normal domestic needs for two years.

"Besides asking farmers to feed more wheat, the Department urges that feed manufacturers try to include more wheat in their feed mixtures. In many cases, it was said, heavier wheat mixtures can result in even better quality commercial feeds at no increase in price.

"It is estimated that the total feed grain supply this year may be smaller than last year's record supply, disregarding wheat stocks available for feeding. At the same time, farmers are increasing their livestock numbers to an all-time high to meet wartime demands. There will be about 20,000,000 more hogs this year than last, an increase of almost 25%. The number of laying hens is up 14% and the number of cattle on farms and ranches is the largest on record.

"Wheat feed prices for September delivery will be 1/2 cent per bushel more than prices announced today, and the prices will be raised another 1/2 cent for October delivery. It is estimated that such selling prices in October will closely approximate 85% of corn parity and consequently be very near the corn loan rate for the 1942 crop. Wheat feed will be shipped by the CCC in carload lots, but it is expected in most areas local elevators will be handling the sales in smaller lots.

"Farmers who have resealed 1941 loan wheat stored on their farms may redeem their loans at the wheat feed price for feeding only, except in soft red winter wheat areas. Because of the increasing shortage of soft red winter wheat supplies for milling and seed, there will be no further sales or redemptions of this class of wheat for feed."

Selected Income And Balance Sheet Items Class I Railways For May

The Bureau of Statistics of the Interstate Commerce Commission has issued a statement showing the aggregate totals of selected income and balance sheet items for Class I steam railways in the United States for the month of May and the five months ending with May, 1942 and 1941.

These figures are subject to revision and were compiled from 132 reports representing 136 steam railways. The present statement excludes returns for Class A switching and terminal companies. The report is as follows:

Income Items—	All Class I Railways			
	For the Month of May 1942	1941	For the Five Months of 1942	1941
Net ry. operat. income	\$109,672,990	\$88,104,434	\$432,969,068	\$340,505,880
Other income	11,475,239	11,643,920	58,062,624	56,441,751
Total income	121,148,229	99,748,354	491,031,692	396,947,631
Miscellaneous deductions from income	3,211,205	2,283,064	13,332,245	11,801,195
Income available for fixed charges	117,937,024	97,465,290	477,699,447	385,146,436
Fixed charges:				
Rent for leased roads and equipment	14,778,718	13,861,231	69,384,501	64,350,235
*Interest deductions	37,033,310	38,797,143	185,176,605	192,615,517
Other deductions	117,601	119,163	587,528	593,308
Total fixed charges	51,929,629	52,777,537	255,148,634	257,559,060
Inc. after fixed charges	66,007,395	44,687,737	222,550,813	127,587,376
Contingent charges	2,339,112	1,547,276	11,012,285	7,703,665
†Net income	63,668,283	43,140,477	211,538,528	119,884,311
Depreciation (way and structures and equip.)	20,213,607	18,073,533	97,243,260	89,201,002
Amortization of defense projects	6,754,326		26,417,772	
Federal income taxes	64,309,800	14,772,502	205,025,169	48,019,626
Dividend appropriations:				
On common stock	17,936,901	19,134,677	41,848,955	45,416,313
On preferred stock	6,674,321	6,022,597	12,607,959	11,231,673
Ratio of income to fixed charges	2.27	1.85	1.87	1.50

Selected Asset Items—	All Class I Railways		Class I Railways Not in Receivership or Trusteeship	
	Balance at End of May 1942	1941	Balance at End of May 1942	1941
Investments in stocks, bonds, etc., other than those of affiliated companies	\$474,049,083	\$561,099,759	\$456,149,397	\$510,730,949
Cash	\$817,914,286	\$712,402,038	\$615,014,886	\$568,021,498
Temporary cash investments	177,204,507	92,483,683	147,123,555	68,095,980
Special deposits	138,964,351	103,726,215	96,397,508	81,975,754
Loans and bills receivable	1,027,931	1,412,870	914,573	1,151,144
Traffic and car-service balances (Dr.)	39,804,777	29,049,167	33,365,233	26,525,297
Net balance receivable from agents and conductors	109,235,564	67,170,403	91,494,885	54,191,099
Miscellaneous accounts receivable	288,703,325	143,263,989	230,724,648	110,961,892
Materials and supplies	533,690,173	373,492,070	431,382,520	296,655,430
Interest and dividends receivable	23,364,126	20,795,559	21,415,982	18,101,956
Rents receivable	1,400,882	1,330,538	1,061,770	1,044,137
Other current assets	27,838,070	7,284,527	26,237,348	5,942,868
Total current assets	2,159,147,992	1,552,411,059	1,695,132,909	1,232,667,055

Selected Liability Items—	All Class I Railways		Class I Railways Not in Receivership or Trusteeship	
	Balance at End of May 1942	1941	Balance at End of May 1942	1941
†Funded debt maturing within six months	\$75,503,920	\$72,029,386	\$59,957,692	\$52,668,712
Loans and bills payable	\$32,077,555	\$77,199,336	\$2,490,686	\$21,247,784
Traffic and car-service balances (Cr.)	81,098,266	48,964,299	58,518,479	35,275,011
Audited accounts and wages payable	349,141,098	265,325,216	285,338,016	214,280,541
Miscellaneous accounts payable	63,133,000	49,815,449	44,977,328	37,882,606
Interest matured unpaid	46,640,249	31,418,318	37,687,643	27,956,416
Dividends matured unpaid	4,907,214	1,632,991	4,554,952	1,280,682
Unmatured interest accrued	87,471,324	87,829,199	72,264,777	71,301,492
Unmatured dividends declared	38,191,385	36,226,925	38,191,385	36,226,925
Unmatured rents accrued	29,862,973	30,582,708	27,719,304	28,532,931
Accrued tax liability	502,553,540	242,014,382	459,866,856	208,346,001
Other current liabilities	61,418,667	36,770,574	46,682,377	25,862,953
Total current liabilities	1,296,495,271	907,779,397	1,078,291,803	708,193,342

Analysis of accrued tax liability:	All Class I Railways		Class I Railways Not in Receivership or Trusteeship	
	Balance at End of May 1942	1941	Balance at End of May 1942	1941
U. S. Government taxes	384,138,352	126,635,028	367,962,698	119,963,281
Other than U. S. Government taxes	118,415,188	115,379,354	91,904,158	88,382,720

*Represents accruals, including the amount in default. †For railways not in receivership or trusteeship the net income, was as follows: May, 1942, \$52,694,795; May, 1941, \$43,523,033; for the five months ended May, 1942, \$178,141,876; five months ended May, 1941, \$128,298,049. †Includes payments of principal of long-term debt (other than long-term debt in default) which will become due within six months after close of month of report. †Includes obligations which mature not more than two years after date of issue. †For railways in receivership and trusteeship the ratio was as follows: May, 1942, 1.92; May, 1941, 1.03; five months, 1942, 1.59; five months, 1941, 0.93.

Gross And Net Earnings Of United States Railroads For The Month Of June

The earnings of the United States railroads for the month of June continue to show the part the railroads have been taking in the all-out war efforts. This condition has been in evidence now for some time and even though the gross and net earnings for the month of June are larger than those for May, the statement that we made last month still holds true, that is that the earnings figures we now present are the largest in the history of the railroads for any month in any year with the single exception of the gross earnings in the month of October, 1920, when the huge total of \$633,852,568 was recorded.

While the railroads have had the advantages of tremendous increases in their freight and passenger traffic they also have been subject to great additions to their expenses. So far the managers of the roads have been able to hold these expenses relatively low; there is no doubt, however, that at some future date these expenses will have to rise in order to maintain and keep the railroads' equipment in satisfactory operating condition. The roads also have been at a disadvantage for a great many years and the present increases in revenues have not been sufficient to make up for the losses the roads have sustained in prior years.

Gross earnings of the railroads in June, were \$623,695,610 against \$454,548,079 in June, 1941, an increase of 37.21%. Net earnings for June amounted to \$245,225,980 against \$155,957,835 in the same month a year ago, an increase of \$89,268,145 or 57.24%. Below we give the results for the month of June, 1941 and 1942 in tabular form:

Month of June—	1942		1941		Incr. (+) or Decr. (—) Amount	%
	1942	1941	1942	1941		
Mileage of 132 roads	231,341	232,137	796	0.34		
Gross earnings	\$623,695,610	\$454,548,079	\$169,147,531	+37.21		
Operating expenses	378,469,630	298,590,244	79,879,386	+26.75		
Ratio of expenses to earnings	(60.68%)	(65.69%)				
Net earnings	\$245,225,980	\$155,957,835	\$89,268,145	+57.24		

Let us now focus our attention on the trade activities in the various industries, which have a direct bearing on the operations of the railroads. In order to present a clear picture of the relation between the general business trends and railroad operations, we now present in the subjoined table the figures representative of activity in the more important industries, together with those relating to flour, grain, livestock receipts and revenue freight car loadings for the month of June of the current year in comparison with the figures of the corresponding period for the years 1941, 1940, 1932 and 1929:

	1942	1941	1940	1932	1929
June Building (\$000):					
†Construction contracts awarded—	1,190,264	539,106	324,726	113,075	529,891
‡Coal (net tons):					
§Bituminous	48,100,000	43,319,000	32,400,000	17,749,000	38,580,000
¶Pennsylvania anthracite	5,122,000	5,072,000	4,492,000	2,550,000	5,069,000
Freight Traffic:					
††Carloadings, all (cars)	x3,385,769	x3,510,057	x2,896,953	x2,454,769	x5,260,571
‡‡Livestock receipts:					
Chicago (cars)	6,633	5,596	5,974	10,050	15,085
Kansas City (cars)	3,065	2,064	1,763	4,192	6,100
Omaha (cars)	1,850	1,315	1,169	3,130	6,021
†††Western flour and grain receipts:					
Flour (000 barrels)	x1,598	x1,630	x1,582	x1,315	x1,841
Wheat (000 bushels)	x18,746	x43,767	x14,997	x19,844	x24,803
Corn (000 bushels)	x21,025	x17,687	x22,834	x5,429	x20,145
Oats (000 bushels)	x3,466	x3,396	x1,752	x3,409	x8,181
Barley (000 bushels)	x6,942	x7,944	x4,115	x1,298	x3,233
Rye (000 bushels)	x1,020	x2,458	x769	x322	x657
Iron and Steel (net tons):					
§§Steel ingot production	7,022,155	6,792,751	5,657,443	1,036,102	5,573,076
Lumber (000 feet):					
††††Production	x1,082,556	x1,078,242	x930,522	x427,733	x1,527,032
††††Shipments	x1,174,036	x1,132,529	x905,245	x487,288	x1,495,521
††††Orders received	x1,221,813	x1,267,305	x875,718	x466,175	x1,447,009

Note—Figures in above table issued by: †F. W. Dodge Corp. (figures for 37 States-east of Rocky Mountains). ††National Bituminous Coal Commission. †††United States Bureau of Mines. ††††Association of American Railroads. ††††Reported by major stock yard companies in each city. ††††New York Produce Exchange. ††††American Iron and Steel Institute. ††††National Lumber Manufacturers' Association (number of reporting mills varies in different years). x Four weeks. z Five weeks.

A glance at the figures in the above tabulation reveals that practically all items showed considerable improvements over the previous corresponding periods. Construction contracts awarded more than doubled in volume. Marked gains were shown in livestock receipts, and corn and oats receipts. Steel ingot production showed an increase of 229,404 net tons over June of 1941. Bituminous coal production increased 4,781,000 tons, and anthracite showed a lesser, though substantial, gain of 50,000 tons. Several of the grains, namely wheat, barley, and rye fell off quite heavily from last year's receipts. Carloadings also dropped.

In the preceding paragraphs we have dealt with the railroads collectively. Turning our attention now to the showings of the separate roads and systems, we find that 79 roads were able to better their June, 1941, gross earnings with increases of \$100,000 or more. Of these, 65 were able to convert their gross gains into net increases of \$100,000 or more. A total of 4 roads in gross and 7 in the net listing recorded major decreases. The Pennsylvania and Southern Pacific were first and second respectively in both gross and net classifications—the Pennsylvania with respective increases in gross and net of \$17,841,106 and \$9,632,564 and the Southern Pacific with increases of \$14,019,166 and \$7,945,968. The New York Central was third in gross increases with a gain of \$12,271,113, while the Atchison Topeka & Santa Fe nailed down third place in the net category with a gain of \$7,440,431. The increases and decreases of all roads and systems in excess of \$100,000 are indicated in the subjoined tabulation and are listed for both gross and net net:

PRINCIPAL CHANGES IN GROSS EARNINGS FOR THE MONTH OF JUNE	Increase		Decrease	
	1942	1941	1942	1941
Pennsylvania	\$17,841,106	\$9,632,564	Gulf Mobile & Ohio	\$760,493
Southern Pacific (2 rds.)	14,019,166	7,945,968	Central of Georgia	644,372
New York Central	12,271,113	7,440,431	Florida East Coast	635,035
Atchison Topeka & Santa Fe	11,135,535	7,151,144	Norfolk & Western	613,834
Union Pacific	10,313,167	6,112,299	Long Island	581,637
Baltimore & Ohio	6,611,129	6,012,806	New Orleans Northeastern	577,678
Southern	6,012,806	5,859,998	Cincin. New Or. & Tex. Pac.	570,146
Missouri Pacific	5,859,998	4,832,375	International Great Northern	558,943
Illinois Central	4,832,375	4,265,232	Louisiana & Arkansas	539,641
Louisville & Nashville	4,265,232	4,176,132	Colorado & Southern (2 rds.)	520,919
Atlantic Coast Line	4,176,132	4,015,098	Spokane Portland & Seattle	411,712
Seaboard Air Line	4,015,098	3,877,865	Chicago & East Illinois	392,697
New York New Hav. & Hart.	3,877,865	3,392,952	Norfolk & Southern	391,790
Chicago Burlington & Quincy	3,392,952	2,961,835	Pittsburgh & Lake Erie	374,473
Great Northern	2,961,835	2,737,997	Georgia	366,801
Chic. Milw. St. Paul & Pac.	2,737,997	2,559,423	Minneap. St. Paul S. S. Marie	323,089
Northern Pacific	2,559,423	2,348,132	Elgin Joliet & Eastern	267,392
New York Chicago & St. Lou.	2,348,132	2,242,194	Chicago Great Western	257,649
Erie	2,242,194	2,236,075	Wheeling & Lake Erie	242,819
Chicago & North Western	2,236,075	2,183,777	Pere Marquette	235,579
Chicago Rock Island & Pac.	2,183,777	2,172,506	Maine Central	196,732
Chesapeake & Ohio	2,172,506	1,953,341	Western Ry. of Alabama	175,627
St. Louis-San Fran. (2 rds.)	1,953,341	1,846,443	Bessemer & Lake Erie	172,135
Denver & Rio Grande West.	1,846,443	1,844,583	Northwestern Pacific	153,620
Boston & Maine	1,844,583	1,816,152	Illinois Terminal	147,299
Reading	1,816,152	1,776,560	Atlanta & West Point	143,031
St. Louis Southwestern	1,776,560	1,666,492	Pittsburgh & West Virginia	134,904
Webash	1,666,492	1,615,207	Maine	120,753
Lehigh Valley	1,615,207	1,578,870	Georgia Southern & Florida	112,658
Kansas City Southern	1,578,870	1,544,110	Minneapolis St. Louis	112,388

PRINCIPAL CHANGES IN NET EARNINGS FOR THE MONTH OF JUNE

	Increase		Increase
Pennsylvania	\$9,632,564	Alton	\$439,234
Southern Pacific (2 roads)	7,945,968	Nashville Chat. & St. Louis	433,627
Achison Topeka & Santa Fe	7,440,431	Gulf Mobile & Ohio	432,882
Union Pacific	6,178,319	Missouri-Kansas-Texas	421,584
New York Central	6,151,028	Colorado & Southern (2 rds.)	416,682
Missouri Pacific	3,895,786	Florida East Coast	411,400
Southern	3,735,847	Delaware & Hudson	408,164
Seaboard Air Line	2,721,924	Central of Georgia	387,310
Baltimore & Ohio	2,640,136	New Orleans & Northeastern	365,791
Atlantic Coast Line	2,605,502	International Great Northern	313,559
Illinois Central	2,417,552	Spokane Portland & Seattle	304,594
Louisville & Nashville	2,436,296	Western Maryland	284,932
New York New Haven & Hart.	2,370,896	Louisiana & Arkansas	275,887
Chicago Burlington & Quincy	1,742,599	Norfolk & Southern	249,423
Great Northern	1,452,214	Georgia	239,996
Chicago & North Western	1,297,337	Cincinnati New Ori. & Tex. Pac.	234,395
Chicago Rock Island & Pac.	1,233,549	Central of New Jersey	215,083
Denver & Rio Grande West.	1,279,231	Chicago & Eastern Illinois	207,025
St. Louis Southwestern	1,275,428	Delaware Lack. & Western	194,210
New York City & St. Lou.	1,233,591	Chicago Great Western	124,099
Chic. Milw. St. Paul & Pac.	1,220,678	Western Ry. of Alabama	120,527
St. Louis San Fran. (2 rds.)	1,049,983	Wheeling & Lake Erie	115,499
Kansas City Southern	963,171	Atlanta & West Point	107,149
Richmond Fred. & Potomac	914,034		
Northern Pacific	913,304	Total (65 roads)	\$90,673,024
Wabash	910,837		
Boston & Maine	910,715		
Yazoo & Mississippi Valley	881,469		
Texas & Pacific	875,321		
Erie	841,788	Norfolk & Western	\$771,264
New Or. Tex. & Mex. (3 rds.)	761,636	Virginian	335,949
Duluth Missabe & Iron Range	734,813	New York Connecting	241,937
Reading	721,878	Grand Trunk Western	207,125
Chesapeake & Ohio	702,960	Elgin Joliet & Eastern	174,269
Western Pacific	632,512	Detroit Toledo & Ironton	161,916
Lehigh Valley	619,226	Minn. St. Paul & S. S. Marie	108,936
Alabama Great Southern	569,449		
		Total (7 roads)	\$2,001,461

*These figures cover the operations of the New York Central and the leased lines—Cleveland Cincinnati Chicago & St. Louis, Michigan Central, Cincinnati Northern, and Evansville Indianapolis & Terre Haute. Including Pittsburgh & Lake Erie, the result is an increase of \$6,208,930.

Let us now take the gross and net earnings figures for the country as a whole and break them down into the different districts and regions in order to find out which sections of the country contributed most heavily to the final totals. In so doing, we find the Western District recorded the greatest percentage increase in both gross and net listings with gains of 44.73% and 80.60% respectively, while the Southwestern region (of the Western District) led the regions in percentage gains with increases of 61.40% and 119.03% in gross and net respectively. Another interesting note is that all districts and regions with the exception of the Pocahontas region, which consists of only 4 roads, recorded higher percentage increases in net than in gross. For a detailed picture of the earnings of the districts and regions, we now make reference to our "Summary by Groups" which follows. As previously explained, we classify the roads in conformity with the grouping of the Interstate Commerce Commission. The boundaries of the various geographical subdivisions are shown in the footnote which is attached to the table:

SUMMARY BY GROUPS—MONTH OF MAY

District and Region	Gross Earnings			
	1942	1941	Incr. (+) or Dec. (-)	%
Eastern District—				
New England region (10 roads)	23,769,667	17,822,222	+ 5,947,445	+ 33.37
Great Lakes region (23 roads)	106,526,990	83,501,488	+ 23,025,502	+ 27.57
Central Eastern region (18 roads)	130,033,291	100,035,829	+ 29,997,462	+ 29.97
Total (51 roads)	260,389,948	201,419,539	+ 58,970,409	+ 29.28
Southern District—				
Southern region (26 roads)	87,452,861	56,291,565	+ 31,161,296	+ 55.36
Pocahontas region (4 roads)	32,366,694	28,607,623	+ 3,759,071	+ 13.14
Total (30 roads)	119,819,555	84,899,188	+ 34,920,367	+ 41.13
Western District—				
Northwestern region (15 roads)	66,557,448	53,425,666	+ 13,131,782	+ 24.58
Central Western region (16 roads)	125,028,183	82,648,507	+ 42,379,676	+ 51.28
Southwestern region (20 roads)	51,900,476	32,155,179	+ 19,745,297	+ 61.40
Total (51 roads)	243,486,107	168,229,352	+ 75,256,755	+ 44.73
Total all districts (132 roads)	623,695,610	454,548,079	+ 169,147,531	+ 37.21

District and Region	Net Earnings			
	1942	1941	Incr. (+) or Dec. (-)	%
Eastern District—				
New England region	6,649	6,699	- 50	- 0.75
Great Lakes region	26,024	26,063	- 39	- 0.15
Central Eastern region	24,218	24,468	- 250	- 1.02
Total	56,891	57,230	- 339	- 0.59
Southern District—				
Southern region	37,761	38,040	- 279	- 0.73
Pocahontas region	6,060	6,086	- 26	- 0.43
Total	43,821	44,126	- 305	- 0.69
Western District—				
Northwestern region	45,610	45,524	+ 86	+ 0.19
Central Western region	56,228	56,203	+ 25	+ 0.04
Southwestern region	28,991	29,054	- 63	- 0.22
Total	130,829	130,781	+ 48	+ 0.04
Total all districts	231,341	232,137	- 796	- 0.34

Note—Our grouping of the roads conforms to the classification of the Interstate Commerce Commission, and the following indicates the confines of the different groups and regions:

EASTERN DISTRICT

New England Region—Comprises the New England States.
Great Lakes Region—Comprises the section on the Canadian boundary between New England and the westerly shore of Lake Michigan to Chicago, and north of a line from Chicago via Pittsburgh to New York.

Central Eastern Region—Comprises the section south of the Great Lakes Region east of a line from Chicago through Peoria to St. Louis and the Mississippi River to the mouth of the Ohio River, and north of the Ohio River to Parkersburg, W. Va., and a line thence to the southwestern corner of Maryland and by the Potomac River to its mouth.

SOUTHERN DISTRICT

Southern Region—Comprises the section east of the Mississippi River and south of the Ohio River to a point near Kenova, W. Va., and a line thence following the eastern boundary of Kentucky and the southern boundary of Virginia to the Atlantic.
Pocahontas Region—Comprises the section north of the southern boundary of Virginia, east of Kentucky and the Ohio River north to Parkersburg, W. Va., and south of a line from Parkersburg to the southwestern corner of Maryland and thence by the Potomac River to its mouth.

WESTERN DISTRICT

Northwestern Region—Comprises the section adjoining Canada lying west of the Great Lakes Region, north of a line from Chicago to Omaha and thence to Portland, and by the Columbia River to the Pacific.

Central Western Region—Comprises the section south of the Northwestern Region west of a line from Chicago to Peoria and thence to St. Louis, and north of a line from St. Louis to Kansas City and thence to El Paso and by the Mexican boundary to the Pacific.

Southwestern Region—Comprises the section lying between the Mississippi River south of St. Louis and a line from St. Louis to Kansas City and thence to El Paso, and by the Rio Grande to the Gulf of Mexico.

The Western grain movement of 51,199,000 bushels fell far below the June, 1941 total of 75,252,000 bushels, the chief contributing grain to this decrease being wheat which dropped off 25,021,000 bushels. Rye's total dropped 1,438,000 bushels and barley

dropped 1,002,000 bushels, while the combined increases in corn and oats aggregated 3,408,000 bushels. The fluctuation in flour receipts showed a slight downward trend of 32,000 barrels. In the following table, we give in our usual form the details of the Western grain movement for the four weeks ended June 27, 1942 as compared with the corresponding four-week period ended June 28, 1941:

WESTERN FLOUR AND GRAIN RECEIPTS

	Year	Four Weeks Ended June 27				
		Flour (bbls.)	Wheat (bush.)	Corn (bush.)	Oats (bush.)	Rye (bush.)
Chicago	1942	867	483	7,266	872	122
	1941	783	932	6,058	1,116	790
Minneapolis	1942	—	7,310	1,293	1,068	450
	1941	4	11,222	1,166	967	1,324
Duluth	1942	—	2,758	1,642	—	—
	1941	—	5,282	3,564	—	—
Milwaukee	1942	54	11	540	49	183
	1941	80	2,490	343	10	215
Toledo	1942	—	429	167	156	85
	1941	—	816	91	257	3
Indianapolis & St. Louis	1942	—	1,169	2,868	632	36
	1941	—	2,497	2,630	430	5
Peoria	1942	500	2,575	551	214	48
	1941	151	181	3,048	62	16
Kansas City	1942	160	110	2,697	124	89
	1941	63	3,747	2,288	300	—
St. Joseph	1942	103	14,339	393	80	—
	1941	—	348	283	84	—
Wichita	1942	—	503	93	78	—
	1941	—	1,366	2	—	—
Sioux City	1942	—	2,894	—	—	—
	1941	—	372	497	9	8
Detroit	1942	—	107	101	14	23
	1941	—	—	—	—	—
Total all	1942	1,598	18,746	21,025	3,466	1,020
	1941	1,630	43,767	17,687	3,396	2,458

Finally we present our tabulation of the gross and net earnings of the railroads of the country taken collectively for the June period of the current year in comparison with the June periods for each year back to and including 1909:

Month of June	Gross Earnings				Mileage	
	Year Given	Year Preceding	Incr. (+) or Dec. (-)	%	Year Given	Year Preceding
1909	\$210,356,964	\$184,047,216	+ \$26,309,748	+ 14.29	197,648	194,689
1910	237,988,124	210,182,484	+ 27,805,640	+ 13.23	204,596	200,901
1911	231,980,259	238,499,885	- 6,519,626	- 2.73	222,825	218,379
1912	243,226,498	228,647,383	+ 14,579,115	+ 6.38	193,886	189,863
1913	259,703,994	242,830,546	+ 16,873,448	+ 6.95	212,989	210,288
1914	230,751,850	241,107,727	- 10,355,877	- 4.30	209,764	207,414
1915	248,849,716	247,535,879	+ 1,313,837	+ 0.53	240,219	235,828
1916	285,149,746	237,612,967	+ 47,536,779	+ 20.01	226,752	225,803
1917	351,001,045	301,304,803	+ 49,696,242	+ 16.49	242,111	241,550
1918	363,165,528	323,163,116	+ 40,002,412	+ 12.38	220,303	219,294
1919	424,035,872	392,265,998	+ 30,769,874	+ 7.82	232,169	232,682
1920	486,209,842	420,586,968	+ 65,622,874	+ 15.60	213,525	208,598
1921	460,582,512	494,164,607	- 33,582,095	- 6.80	235,208	235,059
1922	472,383,903	460,007,081	+ 12,376,822	+ 2.69	235,310	234,568
1923	504,054,165	473,150,664	+ 30,903,501	+ 6.53	236,739	236,683
1924	464,759,956	540,202,295	- 75,442,339	- 13.97	236,001	235,691
1925	506,002,036	464,774,329	+ 41,227,707	+ 8.87	236,779	236,357
1926	538,758,797	506,124,762	+ 32,634,035	+ 6.45	236,510	236,243
1927	516,023,039	539,797,813	- 23,774,774	- 4.40	238,405	237,243
1928	531,576,771	516,448,211	+ 14,877,440	+ 2.88	240,302	239,066
1929	531,033,198	502,450,882	+ 28,577,315	+ 5.69	241,608	241,243
1930	444,171,625	531,695,473	- 87,523,848	- 16.46	242,320	241,349
1931	369,212,042	444,274,591	- 75,062,549	- 16.90	242,968	242,494
1932	245,860,615	369,133,884	- 123,273,269	- 33.40	242,179	242,527
1933	281,353,909	245,869,626	+ 35,484,283	+ 14.43	241,455	242,373
1934	282,406,507	277,923,922	+ 4,482,585	+ 1.61	239,107	240,932
1935	280,975,503	282,406,506	- 1,431,003	- 0.51	237,800	239,020
1936	330,212,333	280,967,649	+ 49,244,684	+ 17.53	236,814	238,019
1937	351,047,025	330,095,850	+ 20,951,175	+ 6.35	235,744	236,281
1938	381,607,108	350,994,586	+ 30,612,522	+ 8.72	234,626	235,501
1939	320,991,913	350,547,886	- 29,555,973	- 8.43	233,404	234,527
1940	344,055,653	320,991,928	+ 23,063,725	+ 7.19	232,786	233,399
1941	454,532,076	344,195,826	+ 110,336,240	+ 32.06	232,136	232,830
1942	623,695,610	454,548,079	+ 169,147,531	+ 37.21	231,341	232,137

Month of June	Net Earnings			
	Year Given	Year Preceding	Incr. (+) or Dec. (-)	%
1909	\$74,196,190	\$59,838,655	+ \$14,357,535	+ 23.99
1910	77,173,345	74,043,999	+ 3,129,346	+ 4.23
1911	72,794,069	77,237,252	- 4,443,183	- 5.75

Wholesalers' Sales, Inventories And Credits In June

June sales of wholesalers totaling \$296,699,000, represented an 11% advance, compared with the same month a year ago, according to an announcement released by J. C. Capt, Director of the Census. With the exception of the 7% July 31 increase shown in May, the gain for June was the smallest recorded by this series in 19 months. A gain of 2% in sales occurred between May and June of this year, in contrast to the slight decreases shown between these months in the past three years. Sales for the first half of 1942 were 23% above the corresponding period of 1941. The Bureau's announcement said, further explaining:

"Twenty-eight of the 35 trades for which separate data are presented in this report showed increases in sales for June of this year compared with June, 1941, ranging from 1% for paper and its products to 60% for meat and meat products. For the past seven months wholesalers of meat and meat products have reported sales ranging from 54 to 68% higher than the sales recorded for the same month a year ago. Most non-durable lines showed moderate to substantial increases in dollar volume for June of this year compared with the same month of last year. Sales of shoe and other footwear wholesalers advanced 28%; confectionery, 23%; dry goods, 19%; drugs and sundries (liquor excluded), 16%, and tobacco and its products, 15%. Dollar volume for wholesalers of petroleum and its products dropped 15%, and paints and varnishes, 8%. All but four of the durable goods trades for which separate statistics are presented in this report registered increases which ranged from 27% to 37% for June, 1942, over June, 1941. Sales of industrial supplies wholesalers gained 18%; lumber and building materials, 20%; furniture and house furnishings, 5%, and jewelry, 7%; while dollar sales of metals wholesalers declined 15%, and electrical goods and automotive supplies, each 12%.

"Inventories, in terms of dollars based on cost values, at the close of June were down 3% compared with May, the third consecutive month since December, 1940, when inventories at the end of the month were lower than those at the beginning. Compared with the same month a year ago, inventories at the close of June, 1942, were up 6%, the smallest increase registered for any month, compared with the same month a year ago since March of last year. The percent of increase of inventories on the basis of a year ago comparison has fallen off steadily since December of 1941, when a gain of 29% over December, 1940, occurred, the largest increase in the history of this survey.

"The stock-sales ratio for wholesalers at the close of June, 1942, was 141, as against 142 for June, 1941, and 148 for May, 1942. Of the 31 trades for which stock-sales ratios are shown, 16 registered a decrease in their ratios for June, 1942, compared with those for June of last year. Substantial increases in stock-sales ratios were recorded for wholesalers of automotive supplies, petroleum, dry goods, wines and liquors, and paper and its products, while marked decreases were shown for wholesalers of industrial supplies, lumber and building materials, furniture and house furnishings, plumbing and heating supplies, and jewelry.

"Collections on accounts receivable were up more than 10% for June, 1942, compared with June, 1941, and 5% above May, 1942. The collection ratio for June of this year was 88; for June of last

Changes In Holdings Of Reacquired Stock Of N. Y. Stock & Curb Listed Firms

The monthly compilation of companies listed on the New York Stock Exchange reporting changes in their holdings of reacquired stock was made available on Aug. 17. Following is the tabulation issued by the Stock Exchange:

Company and Class of Stock—	Shares Previously Reported	Shares Per Latest Report
Allied Mills, Inc., common	304,382	304,418
Allied Stores Corp., 5% preferred	517	917
American Hide & Leather Co., common	40,250	41,250 (1)
6% preferred	200	100 (1)
American Viscose Corp., 5% cumulative preferred	946	1,746 (8)
Armour & Co., 7% preferred	3,776	4,680
Associates Investment Co., common	22,686	23,520
5% cumulative preferred	895	1,790
Atlantic Gulf & West Indies Steamship Lines, 5% preferred	2,400	2,900
Atlas Corp., common	49,244	54,881
6% preferred	250	250
Belding Heminway Co., common	56,232	56,532
Barker Bros. Corp., 5 1/2% cumulative preferred	1,953	552 (2)
Borden Co. (The), capital	40,654	41,305
Bucyrus-Erie Co., 7% preferred	11,179	11,199
Carriers & General Corp., common	1,725	1,715
Case (J. I.) Co., common	200	205
Century Ribbon Mills, Inc., 7% preferred	29,464	30,665
Chicago Yellow Cab Co., Inc., capital	25,000	28,000
Consolidated Laundries Corp., common	377	577
Continental Baking Co., 8% cumulative preferred	3,735	4,499
Copperwell Steel Co., cumulative conv. pref., 5% series	4,262	4,268
Corn Products Refining Co., preferred	16,888	18,188
Cuban-American Sugar Co. (The), 5 1/2% conv. preferred	10,213	10,413
7% cumulative preferred	6,558	6,055
Detroit Edison Co. (The), common	11,300	11,700
Distillers Corp.-Seagrams, Ltd., cum. pref., 5% series	319,109	319,144
Federated Department Stores, Inc., 4 1/4% conv. preferred	25,166	25,871
Firestone Tire & Rubber Co. (The), common	2,961	2,896
6% cumulative series A preferred	7,249	8,249
Gaylord Container Corp., 5 1/2% cum. conv. preferred	16,165	16,665
General Shoe Corp., common	140	650
Gillette Safety Razor Co., \$5 convertible preferred	12,683	12,883
Goodyear Tire & Rubber Co. (The), \$5 cum. conv. pref.	29,191	29,791
Hanna (M. A.) Co. (The), \$5 cumulative preferred	25,151	47,992
Household Finance Corp., common	5,016	5,316
Howe Sound Co., common	70	1,200
Interlake Iron Corp., common	270	1,400
Interstate Department Stores, Inc., 7% preferred	700	700
Jones & Laughlin Steel Corp., 5% cum. preferred A	102,907	103,907
5% cumulative preferred B	515	681
Keith-Albee-Orpheum Corp., 7% cumulative conv. pref.	79,883	85,879
Lehman Corp. (The), common	700	3,900 (5)
Mead Corp. (The), \$6 series A preferred	4,566	4,576
National Department Stores Corp., 6% preferred	12,900	13,600
Natamas Co., common	5,601	5,731
Newport News Shipbuilding & Dry Dock Co., \$5 cum. cv. pfd.	45,259	45,459
Norfolk & Western Railway Co., adj. 4% non-cumul. pref.	5,601	5,731
Plymouth Oil Co., common	45,259	45,459
Real Silk Hosiery Mills, Inc., 7% cumulative preferred	1,115	1,736
Reliable Stores Corp., common	5,801	300 (6)
Safeway Stores, Inc., 5% cumulative preferred	2,400	1,200
Schenley Distillers Corp., 5 1/2% cumulative preferred	45,504	45,509
Smith (A. C.) Corp., common	77,953	77,895
Squibb (E. R.) & Sons, common	1,030,000	1,030,000
Superheater Co. (The), common	30,680	33,480
Swift & Co., capital	2,000	4,200
Transamerica Corp., capital	9,424	9,404
Twentieth Century-Fox Film Corp., \$1.50 preferred	2,515	2,745 (7)
Union Bag & Paper Corp., common	233	239
United Merchants & Manufacturers, Inc., v. t. c. for com.	1,393	1,463
United States Hoffman Machinery Corp., 5 1/2% cum. cv. pfd.	13,200	23,500
United States Leather Co. (The), 7% prior preferred		
United States Rubber Co., common		
White (S. S.) Dental Mfg. Co. (The), capital		
Willys-Overland Motors, Inc., 6% cumulative conv. pref.		

- NOTES
- (1) 100 shares of preferred stock acquired and 200 shares converted into common stock.
 - (2) 1,401 shares retired.
 - (3) 50 shares acquired and retired.
 - (4) 300 shares acquired and retired.
 - (5) 2,500 shares acquired from February through June. Balance acquired in July.
 - (6) 5,801 shares retired; 300 shares acquired.
 - (7) 500 shares acquired and retired.
 - (8) 1,000 shares acquired; 200 shares retired.
 - (9) 100 shares acquired and retired.

The New York Curb Exchange issued on Aug. 14 the following list of issuers of fully listed securities which have reported changes in their holdings of reacquired stock:

Name—	Shares Previously Reported	Shares Per Latest Report
Air Investors, Inc., convertible preferred	600	700
Air-Way Electric Appliance Corp., common	356,966	357,469
American General Corp., common	13,900	16,062
American Writing Paper Corp., common	1,929	1,949
Carman & Co., Inc., class A	1,313	1,743
Cooper-Bessemer Corp., \$3 prior preferred	6,349	8,449
Dennison Manufacturing Co., debenture stock	5,326	6,623
Prior preferred	7,298	7,152
A common	11,966	12,166
Detroit Gasket & Mfg. Co., 6% preferred		1,142
General Alloys Co., common	6,945	7,945
Interstate Hosiery Mills, Inc., capital	7,150	7,750
Ken-Rad Tube & Lamp Corp., A common	16,414	16,444
Klein (D. Emil) Co., Inc., common	8,658	8,858
Knott Corp., common	22	32
Lane Bryant, Inc., 7% preferred	8,400	8,450
Midland Oil Corp., \$2 convertible preferred	1,312	3,020
Mock, Judson, Voehringer Co., Inc., common	1,946	1,975
Nehi Corp., first preferred	90,395	97,828
New York Merchandise Co., Inc., common	4,666	4,676
Niagara Share Corp. of Maryland, A preferred	139,781	140,981
B common	3,113	6,713
Root Petroleum Co., \$1.20 convertible preferred	289	985
Sunray Oil Corp., 5 1/2% convertible preferred	71,457	83,657
Trans-Lux Corp., common	12,130	12,135
United Cigar-Whelan Stores Corp., common	9,100	9,250
Utilities Equities Corp., \$5.50 dividend prior stock	7,800	8,000
Wilson-Jones Co., common		

*Initial report.

year, 79, and for May, 1942, 84. Accounts receivable were only 5% greater on June 1, 1942, than on June 1, 1941. This increase is the smallest shown for any month compared with the same month of the previous year since October, 1940. Accounts receivable were 5% less on June 1, 1942, than at the beginning of May, 1942. This monthly study is conducted jointly by the National Association of Credit Men and the Bureau of the Census.

Trading On New York Exchanges

The Securities and Exchange Commission has made public figures showing the daily volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange and the volume of round-lot stock transactions for the account of all members of these exchanges in the weeks ended July 25 and Aug. 1, continuing a series of current figures being published weekly by the Commission. Short sales are shown separately from other sales in these figures.

The data published are based upon weekly reports filed with the New York Stock Exchange and the New York Curb Exchange by their respective members. These reports are classified as follows:

	N. Y. Stock Exchange		N. Y. Curb Exchange	
	Weeks Ending July 25	Aug. 1	Weeks Ending July 25	Aug. 1
Total number of reports received	971	977	685	685
1. Reports showing transactions as specialists	164	163	85	84
2. Reports showing other transactions initiated on the floor	130	118	16	16
3. Reports showing other transactions initiated off the floor	147	136	45	37
4. Reports showing no transactions	602	628	544	555

Note—On the New York Curb Exchange, odd-lot transactions are handled solely by specialists in the stocks in which they are registered and the round-lot transactions of specialists resulting from such odd-lot transactions are not segregated from the specialists' other round-lot trades. On the New York Stock Exchange, on the other hand, all but a fraction of the odd-lot transactions are effected by dealers engaged solely in the odd-lot business. As a result, the round-lot transactions of specialists in stocks in which they are registered are not directly comparable on the two exchanges.

The number of reports in the various classifications may total more than the number of reports received because a single report may carry entries in more than one classification.

Total Round-Lot Stock Sales on the New York Stock Exchange and Round-Lot Stock Transactions for Account of Members* (Shares)

	Weeks Ending July 25 and Aug. 1, 1942			
	Total for Week	† Per Cent	Total for Week	† Per Cent
A. Total Round-Lot Sales:				
Short sales	63,500		42,700	
†Other sales	1,661,750		1,524,190	
Total sales	1,725,250		1,566,890	
B. Round-Lot Transactions for the Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:				
1. Transactions of specialists in stocks in which they are registered—				
Total purchases	146,210		127,830	
Short sales	27,470		20,820	
†Other sales	121,440		100,140	
Total sales	148,910	8.55	120,960	7.94
2. Other transactions initiated on the floor—				
Total purchases	77,720		51,780	
Short sales	5,500		5,600	
†Other sales	69,980		52,140	
Total sales	74,480	4.41	57,740	3.49
3. Other transactions initiated off the floor—				
Total purchases	52,900		52,070	
Short sales	13,800		6,250	
†Other sales	50,600		38,635	
Total sales	64,400	3.40	44,885	3.09
4. Total—				
Total purchases	276,830		231,680	
Short sales	46,770		32,670	
†Other sales	241,020		190,915	
Total sales	287,790	16.36	223,585	14.52

Total Round-Lot Stock Sales on the New York Curb Exchange and Stock Transactions for Account of Members* (Shares)

	Weeks Ending July 25 and Aug. 1, 1942			
	Total for Week	† Per Cent	Total for Week	† Per Cent
A. Total Round-Lot Sales:				
Short sales	1,925		1,835	
†Other sales	230,115		260,270	
Total sales	232,040		262,105	
B. Round-Lot Transactions for the Account of Members:				
1. Transactions of specialists in stocks in which they are registered—				
Total purchases	20,720		22,750	
Short sales	1,345		1,510	
†Other sales	32,240		24,270	
Total sales	33,585	11.70	25,780	9.26
2. Other transactions initiated on the floor—				
Total purchases	2,330		2,420	
Short sales	0		0	
†Other sales	3,145		3,680	
Total sales	3,145	1.18	3,680	1.16
3. Other transactions initiated off the floor—				
Total purchases	14,525		6,255	
Short sales	280		150	
†Other sales	6,905		8,500	
Total sales	7,185	4.68	8,650	2.84
4. Total—				
Total purchases	37,575		31,425	
Short sales	1,625		1,660	
†Other sales	42,290		36,450	
Total sales	43,915	17.56	38,110	13.26
C. Odd-Lot Transactions for the Account of Specialists—				
Customers' short sales	0		25	
†Customers' other sales	18,958		18,040	
Total purchases	18,958		18,065	
Total sales	11,709		9,566	

*The term "members" includes all regular and associate Exchange members, their firms and their partners, including special partners.

†Shares in members' transactions as per cent of twice total round-lot volume. In calculating these percentages, the total members' transactions is compared with twice the total round-lot volume on the Exchange for the reason that the total of members' transactions includes both purchases and sales, while the Exchange volume includes only sales.

‡Round-lot short sales which are exempted from restriction by the Commission rules are included with "other sales."

§Sales marked "short exempt" are included with "other sales."

Bankers Dollar Acceptances Outstanding On July 31 Decline To \$156,302,000

The volume of bankers' dollar acceptances outstanding on July 31 totaled \$156,302,000, a decrease of \$6,547,000 from the June 30 figure and a new low for the last 25 years, according to the monthly report issued Aug. 13 by the Acceptance Analysis Unit of the Federal Reserve Bank of New York. The total amount of acceptances outstanding on July 31 was \$53,597,000 below a year ago.

In the month-to-month comparison only credits based on goods stored in or shipped between foreign countries was higher on July 31, while in the year-to-year analysis credits for domestic shipments showed an increase.

The Reserve Bank's report follows:

BANKERS' DOLLAR ACCEPTANCES OUTSTANDING—UNITED STATES BY FEDERAL RESERVE DISTRICTS			
Federal Reserve District—	July 31, 1942	June 30, 1942	July 31, 1941
1 Boston	\$30,516,000	\$32,578,000	\$28,857,000
2 New York	94,804,000	95,176,000	132,146,000
3 Philadelphia	8,906,000	9,148,000	11,891,000
4 Cleveland	2,714,000	2,707,000	3,795,000
5 Richmond	1,218,000	1,255,000	767,000
6 Atlanta	1,886,000	2,408,000	1,676,000
7 Chicago	4,611,000	3,810,000	6,285,000
8 St. Louis	376,000	440,000	490,000
9 Minneapolis	94,000	113,000	121,000
10 Kansas City	607,000	2,143,000	442,000
11 Dallas	11,170,000	13,071,000	23,429,000
12 San Francisco			
Grand Total	\$156,302,000	\$162,849,000	\$209,899,000
Decrease for month, \$6,547,000. Decrease for year, \$53,597,000.			

ACCORDING TO NATURE OF CREDIT			
	July 31, 1942	June 30, 1942	July 31, 1941
Imports	\$91,515,000	\$93,950,000	\$121,469,000
Exports	8,438,000	12,557,000	21,850,000
Domestic shipments	14,110,000	14,312,000	10,816,000
Domestic warehouse credits	31,045,000	37,837,000	36,366,000
Dollar exchange	396,000	397,000	3,454,000
Based on goods stored in or shipped between foreign countries	10,798,000	3,796,000	15,944,000

BILLS HELD BY ACCEPTING BANKS		
Own bills	Bills of others	Total
\$76,506,000	\$42,210,000	\$118,716,000
Decrease for month, \$3,226,000		

Current Market Rates on Prime Bankers' Acceptances, Aug. 13, 1942		
Days	Dealers' Buying Rates	Dealers' Selling Rates
30	1/2	1/2
60	1/2	1/2
90	1/2	1/2
120	1/2	1/2
150	1/2	1/2
180	1/2	1/2

The following table, compiled by us, furnishes a record of the volume of bankers' acceptances outstanding at the close of each month since Aug. 31, 1939:

1939—			1940—			1941—		
Month	Amount	Month	Amount	Month	Amount			
Aug. 31	\$235,034,177	Aug. 31	\$181,813,000	Aug. 30	\$197,472,000			
Sept. 30	215,881,724	Sept. 30	176,614,000	Sept. 30	176,801,000			
Oct. 31	221,115,945	Oct. 31	186,789,000	Oct. 31	184,806,000			
Nov. 30	222,599,000	Nov. 30	196,683,000	Nov. 29	193,590,000			
Dec. 30	232,644,000	Dec. 31	208,659,000	Dec. 31	194,220,000			
1940—			1941—					
Jan. 31	229,230,000	Jan. 31	212,777,000	Jan. 31	197,278,000			
Feb. 29	233,015,000	Feb. 28	211,865,000	Feb. 28	190,010,000			
Mar. 30	229,705,000	Mar. 31	217,312,000	Mar. 31	182,675,000			
Apr. 30	223,305,000	Apr. 30	219,561,000	Apr. 30	177,293,000			
May 31	213,685,000	May 31	215,005,000	May 29	173,906,000			
June 29	206,149,000	June 30	212,932,000	June 30	162,849,000			
July 31	188,350,000	July 31	209,899,000	July 31	156,302,000			

New York Stock Exchange Odd-Lot Trading

The Securities and Exchange Commission has made public a summary for the weeks ended Aug. 1 and 8, of complete figures showing the daily volume of stock transactions for the odd-lot account of all odd-lot dealers and specialists who handle odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

STOCK TRANSACTIONS FOR THE ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON THE NEW YORK STOCK EXCHANGE

Week Ended—			
Odd-lot Sales by Dealers: (Customers' Purchases)			
	Aug. 1	Aug. 8	
Number of orders	7,783	7,817	
Number of shares	207,774	205,618	
Dollar value	\$7,453,611	\$7,296,191	
Odd-lot Purchases by Dealers: (Customers' Sales)			
Number of orders			
Customers' short sales	134	102	
*Customers' other sales	8,130	8,198	
Customers' total sales	8,264	8,300	
Number of shares:			
Customers' short sales	4,204	2,387	
*Customers' other sales	195,209	198,520	
Customers' total sales	199,413	200,907	
Dollar value	\$6,059,401	\$5,849,189	
Round-lot Sales by Dealers:			
Number of shares:			
Short sales	130	270	
†Other sales	52,360	54,500	
Total sales	52,490	54,770	
Round-lot Purchases by Dealers:			
Number of shares	61,310	68,030	
*Sales marked "short exempt" are reported with "other sales." †Sales to offset customers' odd-lot orders and sales to liquidate a long position which is less than a round lot are reported with "other sales."			

National Fertilizer Association Price Index Higher Last Week

The general level of wholesale commodity prices moved slightly upward last week, according to the price index compiled by The National Fertilizer Association, and made public on Aug. 17. In the week ended Aug. 15, 1942, this index rose to 128.9 as compared with 128.7 in the preceding week. A month ago this index was 128.8 and a year ago 114.1, based on the 1935-1939 average as 100. The Association's report also added:

The principal price changes during the week occurred in the farm products index, in which 10 items included in the group advanced and only 4 declined. This rise was the net result of advancing quotations for grains and livestock, which more than offset declines in cotton prices. Because of steady advances in the past three weeks, livestock prices are now 5.1% higher than a month ago, and 25.3% higher than a year ago. The index of miscellaneous commodities was higher, reflecting prices advances in cattle feed. The only group average to register a decline was the textile index, which fell off slightly, the result of lower prices for cottons, which offset higher wool quotations.

During the week 16 price series included in the index advanced and 13 declined; in the preceding week there were 18 advances and 11 declines; in the second preceding week there were 15 advances and 11 declines.

WEEKLY WHOLESALE COMMODITY PRICE INDEX Compiled by The National Fertilizer Association [*1935-1939 = 100]					
% Each Group Bears to the Total Index	Group	Latest Week	Preceding Week	Month Ago	Year Ago
25.3	Foods	128.5	128.5	125.7	109.5
	Fats and Oils	140.3	139.9	137.8	116.8
	Cottonseed Oil	158.4	158.4	161.3	134.5
23.0	Farm Products	139.4	138.4	136.7	115.4
	Cotton	174.6	178.0	187.5	149.7
	Grains	112.5	111.9	111.6	102.6
	Livestock	140.1	138.0	133.3	111.8
17.3	Fuels	127.0	126.2	125.2	111.0
10.8	Miscellaneous commodities	127.0	126.7	128.1	122.1
8.2	Textiles	104.9	104.7	148.5	139.6
7.1	Metals	145.1	144.4	104.4	103.9
6.1	Building materials	151.5	151.7	151.6	120.4
1.3	Chemicals and drugs	120.7	120.7	120.7	106.2
.3	Fertilizer materials	117.8	117.8	117.8	112.7
.3	Fertilizers	115.3	115.3	115.3	106.4
.3	Farm machinery	104.1	104.1	104.1	99.3
100.0	All groups combined	128.9	128.7	128.8	114.1

*Indexes on 1926-1928 base were: Aug. 15, 1942, 100.4; Aug. 8, 100.3; Aug. 16, 1941, 88.9.

2nd Quarter New Construction At \$3.3 Billion

The volume of new construction in the second quarter of 1942 was \$3,297,000,000 the Department of Commerce announced on Aug. 6. This, said the announcement, was 25% greater than the preceding quarter and 28% above the same period last year. The record level was reached in spite of a sharp contra-seasonal decline in private construction. Public war construction, one and a half times as large as in the previous quarter and almost three times as large as in the same period a year ago, accounted for the rise. The Bureau supplies the following statistics:

	1941			1942		
	First Quarter	Second Quarter	Last Six Months	First Quarter	Second Quarter	Est. Bal. of year
Total new construction	2,278	2,573	6,294	2,637	3,297	5,792
Total private	1,016	1,323	2,922	869	848	1,037
*Residential Bldg. (non-farm)	508	740	1,633	470	480	470
Non-residential building	327	318	661	190	121	145
Commercial	85	105	198	54	28	25
Industrial	188	156	334	95	63	95
All other	54	57	129	41	30	25
Farm construction	30	90	180	27	81	162
Dwellings	18	53	105	15	45	90
Service	12	37	75	12	36	72
Public utility	151	175	448	182	166	260
Total public construction	1,262	1,250	3,372	1,768	2,449	4,755
Military and naval	580	318	1,161	575	1,137	2,800
Non-residential building	237	400	1,034	732	857	1,150
Industrial	165	336	899	676	801	1,100
All other	72	64	135	56	56	50
Highway	220	255	538	203	194	200
Sewage disposal and water supply	29	30	56	28	30	40
Residential	75	118	286	105	130	415
All other Federal	96	97	232	103	85	130
Misc. public sew. entr's	25	32	65	22	16	20

*Figures from 1939 through the first quarter of 1942, were prepared by the Bureau of Labor Statistics; the figure for the second quarter of 1942 is a preliminary estimate of the Department of Commerce.

Non-Ferrous Metals—Maximum Price On Foreign Silver Set—Imports Expected To Increase

Editor's Note.—Upon request of the Office of Censorship certain production and shipment figures and other data have been omitted for the duration of the war.

"E. & M. J. Metal and Mineral Markets," in its issue of Aug. 13, stated: "Now that OPA has set a maximum price on silver imported into the United States, regardless of existing contracts, the metal is expected to again move through established channels, and imports should increase. Lead sold in larger volume during the last week, reflecting an improved supply situation. Both copper and zinc showed no changes. Molybdenum is attracting attention because WPB is enlarging its ideas on what may be required and some in the trade believe that allocation of supplies may yet become a fact. All melting schedules in molybdenum have been placed under control." The publication further went on to say in part:

Copper
Copper supplies at present are adequate to meet the heavy demands of the essential war industries. Though August is not yet

issue of Product Engineering. An extremely difficult type of drawing and die design played an important part in producing steel cartridge cases.

Copper Order M-9-b was amended Aug. 7 and now provides that foundries and ingot makers authorized to receive deliveries of refined copper must surrender their allocation certificates to dealers at the time orders are placed. If an order is placed with a refiner, the refiner must endorse the certificate specifying the amount of refined copper he will deliver.

Lead

Producers and consumers showed more interest in placing business in September lead during the last week, which indicates that the views of both sellers and buyers have eased somewhat because of the improved supply outlook. Consumers who have whittled down their inventories sharply are now inclined to take on more metal. The price of common lead continued at 6.50¢, New York, and 6.35¢, St. Louis.

Zinc

Demand for zinc, particularly High Grade, remains as high as ever. Labor problems loom in some producing areas, because of high wages paid for war work in other industries, and there is doubt about increasing production should conditions grow worse. Quotations for zinc continued on the basis of 8.25¢, St. Louis, for Prime Western.

Tin

A new tin can salvage drive is on in New York. N. M. Ohrbach, former Chairman of the Tin Can Salvage Committee, stated that residents of the metropolitan area should be capable of delivering 10,000 tons of old cans a month. Actually, about one-tenth of that amount is being collected monthly, of which only 40% have been properly prepared.

Exports of tin concentrate from Bolivia during May contained 2,864 metric tons of tin, against 3,244 tons in April and 3,587 tons in May last year.

The price of tin was unchanged in the New York market. Straits quality tin for future delivery was nominally as follows:

	Aug.	Sept.	Oct.
Aug. 6	52.000	52.000	52.000
Aug. 7	52.000	52.000	52.000
Aug. 8	52.000	52.000	52.000
Aug. 10	52.000	52.000	52.000
Aug. 11	52.000	52.000	52.000
Aug. 12	52.000	52.000	52.000

Quicksilver

Reports have been received here to the effect that the London price has been raised to £69 per flask. Just why the London quotation should have risen at this time from the old basis of £47 15s, ex-warehouse, is a mystery. In some directions it is believed that the high figure may have resulted from some form of barter transaction, possibly with Spain, and it represents little more than a bookkeeper's record. The situation in New York remains unchanged, quotations holding at \$194.43 @ \$198.08 per flask.

Silver

In establishing a maximum price on foreign silver, the inflationary pressure on the market is expected to diminish.

During the past week the silver market in London has been unchanged at 23 1/2 d. The New York Official and the U. S. Treasury prices are also unchanged at 35 1/8¢, and 35¢, respectively.

Daily Prices

The daily prices of electrolytic copper (domestic and export, refinery), lead, zinc and Straits tin were unchanged from those appearing in the "Commercial and Financial Chronicle" of July 31, 1942, page 380.

Moody's Bond Prices and Bond Yield Averages

Moody's computed bond prices and bond yield averages are given in the following tables:

MOODY'S BOND PRICES† (Based on Average Yields)										
1942— Daily Averages	U. S. Govt. Bonds	Aege. Corpor- ate*	Corporate by Ratings*				Corporate by Groups*			
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Aug. 18	117.88	106.92	116.80	113.31	108.16	91.91	96.38	111.44	114.08	
17	117.88	106.92	116.80	113.31	108.16	91.91	96.23	111.44	114.08	
16	117.92	106.92	116.80	113.31	108.16	91.91	96.23	111.44	114.08	
15	117.92	106.92	116.80	113.31	108.16	91.91	96.23	111.44	114.08	
14	117.97	106.92	116.80	113.31	108.16	91.91	96.23	111.44	114.27	
13	117.97	106.92	116.80	113.31	108.16	91.91	96.23	111.44	114.27	
12	117.96	105.92	116.80	113.31	108.34	91.91	96.23	111.44	114.27	
11	117.97	106.92	116.80	113.31	108.34	91.91	96.23	111.62	114.27	
10	117.97	106.92	116.80	113.31	108.34	92.06	96.23	111.44	114.27	
9	117.97	107.09	116.80	113.31	108.34	91.91	96.23	111.44	114.27	
8	117.97	106.92	116.61	113.12	108.16	91.91	96.23	111.44	114.27	
7	117.89	106.92	116.61	113.31	108.16	91.91	96.23	111.44	114.27	
6	117.86	106.92	116.61	113.31	108.16	91.91	96.23	111.44	114.27	
5	117.90	106.92	116.61	113.31	108.16	91.77	96.07	111.44	114.27	
4	118.03	106.92	116.61	113.31	108.16	91.77	95.92	111.44	114.27	
3	118.10	106.92	116.61	113.31	108.16	91.77	96.07	111.44	114.27	
July 31	118.11	106.92	116.41	113.50	108.16	91.77	96.07	111.44	114.27	
24	118.22	106.74	116.61	113.31	107.98	91.77	95.92	111.62	114.08	
17	118.22	106.74	116.41	113.12	107.98	91.62	95.77	111.44	114.27	
10	118.26	106.74	116.41	113.31	107.80	91.62	95.77	111.25	114.08	
3	118.09	106.56	116.22	113.12	107.98	91.34	95.77	111.25	113.89	
June 26	118.14	106.39	116.22	112.93	107.80	91.05	95.47	110.88	113.89	
19	118.33	106.39	116.22	112.93	107.62	91.19	95.47	110.88	113.89	
12	118.33	106.21	116.02	112.75	107.44	91.19	95.62	110.88	113.50	
5	118.38	106.21	115.82	112.93	107.27	91.34	95.77	110.70	113.31	
May 29	118.35	106.39	116.02	112.93	107.44	91.77	96.07	110.70	113.70	
22	118.33	106.56	116.02	112.93	107.44	91.91	96.07	110.70	113.50	
15	117.89	106.74	116.02	113.31	107.62	92.06	96.54	110.88	113.70	
8	117.79	106.74	116.22	113.12	107.62	92.20	96.69	110.70	113.70	
1	117.90	106.56	116.22	113.12	107.44	92.06	96.69	110.70	113.70	
Apr. 24	117.80	106.74	116.22	113.12	107.62	92.06	96.69	110.70	113.70	
Mar. 27	118.20	106.74	116.22	113.50	107.62	91.91	97.00	110.34	113.50	
Feb. 27	116.34	106.39	115.63	113.31	107.62	91.62	96.85	110.15	113.31	
Jan. 30	117.08	106.92	116.22	113.70	107.80	92.06	97.31	110.52	113.70	
High 1942	118.41	107.09	116.80	114.08	108.34	92.50	97.47	111.62	114.46	
Low 1942	115.90	106.04	115.43	112.75	107.09	90.63	95.32	109.60	112.75	
High 1941	120.05	108.52	118.60	116.02	109.60	92.50	97.78	112.56	116.41	
Low 1941	115.89	105.52	116.22	112.00	106.04	89.23	95.62	109.42	111.62	
1 Year ago										
Aug. 18, 1941	118.76	107.62	118.00	114.85	108.52	91.77	97.16	112.00	114.85	
2 Years ago										
Aug. 17, 1940	115.13	103.13	115.82	112.37	103.13	84.94	91.19	108.88	110.52	

MOODY'S BOND YIELD AVERAGES† (Based on Individual Closing Prices)										
1942— Daily Average	Corpor- ate	Corporate by Ratings*				Corporate by Groups*				
		Aaa	Aa	A	Baa	R. R.	P. U.	Indus.		
Aug. 18	3.34	2.81	2.99	3.27	4.28	3.98	3.09	2.95		
17	3.34	2.81	2.99	3.27	4.28	3.99	3.09	2.95		
16	3.34	2.81	2.99	3.27	4.28	3.99	3.09	2.95		
15	3.34	2.81	2.99	3.27	4.28	3.99	3.09	2.95		
14	3.34	2.81	2.99	3.27	4.28	3.99	3.09	2.95		
13	3.34	2.81	2.99	3.27	4.28	3.99	3.09	2.94		
12	3.34	2.81	2.99	3.26	4.28	3.99	3.09	2.94		
11	3.34	2.81	2.99	3.26	4.28	3.99	3.09	2.94		
10	3.34	2.81	2.99	3.26	4.28	3.99	3.08	2.94		
9	3.33	2.81	2.99	3.26	4.27	3.99	3.09	2.94		
8	3.34	2.82	3.00	3.27	4.28	3.99	3.09	2.94		
7	3.34	2.82	2.99	3.27	4.28	3.99	3.09	2.94		
6	3.34	2.82	2.99	3.27	4.28	3.99	3.09	2.94		
5	3.34	2.82	2.99	3.27	4.29	4.00	3.09	2.94		
4	3.34	2.82	2.99	3.27	4.29	4.01	3.09	2.94		
3	3.34	2.82	2.99	3.27	4.29	4.00	3.09	2.94		
1	3.34	2.82	2.99	3.27	4.29	4.00	3.09	2.94		
July 31	3.34	2.83	2.98	3.27	4.29	4.00	3.09	2.94		
24	3.35	2.82	2.99	3.28	4.29	4.01	3.08	2.95		
17	3.35	2.83	3.00	3.28	4.30	4.02	3.09	2.94		
10	3.35	2.83	2.99	3.29	4.30	4.02	3.10	2.95		
3	3.36	2.84	3.00	3.28	4.32	4.02	3.10	2.96		
June 26	3.37	2.84	3.01	3.29	4.34	4.04	3.12	2.96		
19	3.37	2.84	3.01	3.30	4.33	4.04	3.12	2.96		
12	3.38	2.85	3.02	3.31	4.33	4.03	3.12	2.98		
5	3.38	2.86	3.01	3.32	4.32	4.02	3.13	2.99		
May 29	3.37	2.85	3.01	3.31	4.29	4.00	3.13	2.97		
22	3.36	2.85	3.01	3.31	4.28	4.00	3.13	2.98		
15	3.35	2.85	2.99	3.30	4.27	3.97	3.12	2.97		
8	3.35	2.84	3.00	3.30	4.26	3.96	3.13	2.97		
1	3.36	2.84	3.00	3.31	4.27	3.96	3.13	2.97		
Apr. 24	3.35	2.84	3.00	3.30	4.27	3.96	3.13	2.97		
Mar. 27	3.35	2.84	2.98	3.30	4.28	3.94	3.15	2.98		
Feb. 27	3.37	2.87	2.99	3.30	4.30	3.95	3.16	2.99		
Jan. 30	3.34	2.84	2.97	3.29	4.27	3.92	3.14	2.97		
High 1942	3.39	2.88	3.02	3.33	4.37	4.05	3.19	3.02		
Low 1942	3.33	2.81	2.95	3.26	4.24	3.91	3.08	2.93		
High 1941	3.42	2.86	3.06	3.39	4.47	4.03	3.20	3.08		
Low 1941	3.25	2.72	2.85	3.19	4.24	3.89	3.03	2.83		
1 Year ago										
Aug. 18, 1941	3.30	2.75	2.91	3.25	4.29	3.93	3.06	2.91		
2 Years ago										
Aug. 17, 1940	3.56	2.86	3.04	3.56	4.79	4.33	3.23	3.14		

*These prices are computed from average yields on the basis of one "typical" bond (3% coupon, maturing in 25 years) and do not purport to show either the average level or the average movement of actual price quotations. They merely serve to illustrate in a more comprehensive way the relative levels and the relative movement of yield averages the latter being the true picture of the bond market.

†The latest complete list of bonds used in computing these indexes was published in the issue of Oct. 2, 1941, page 409.

the quota system may bring to light mistakes in order rating and for the time being believe that in the quota system's flexibility there is considerable promise.

"News about the priority rating setup in the last few days has not been good, and industries which have 'Priority Rating' in its advance stages report that visits to Washington to straighten out inequalities in PRP ratings are reaching a new high.

"One difficulty seems to be that the armed services have no effective program for coordinating purchases and, consequently, sometimes find ships, planes, tanks and guns complete except for scarce items. Yet here too progress is being made. The groaning workings of the priority system now reflect the movement of items for invasion as the United States goes on the offensive. Since everybody and his sub-contractor has obtained the new high ratings, and with raw materials in some cases inadequate to meet demands of war plants in operation and under construction, the Army and Navy are taking a stronger hand in the confusion over priorities.

"Army and Navy representatives visiting steel plants this week told steel executives that orders for steel to 'kill the enemy' should be filled before orders to be used in building new plants in this country, or developing new landing fields, warehouses and other such projects. Steel to 'kill the enemy,' 'The Iron Age' is told, includes metal that will go into construction of trucks to be shipped to the various battle-fronts and, of course, into all types of armament and ordnance materials for use in the fighting areas. This step by the Army and Navy is expected to go far in preventing tie-ups of those plants most vital to the war effort."

The American Iron and Steel Institute on Aug. 17 announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 91% of the steel capacity of the industry will be 97.2% of capacity for the week beginning Aug. 17, compared with 96.5% one week ago, 98.0% one month ago and 96.2% one year ago. This represents an increase of 0.7 point or 0.7% from the preceding week. The operating rate for the week beginning Aug. 17 is equivalent to 1,662,800 tons of steel ingots and castings, compared to 1,600,800 tons one week ago, 1,676,500 tons one month ago and 1,589,400 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on Aug. 17 stated in part: "A tighter grip on steel for military needs was taken by the War Production Board last week, with the Army and Navy given exclusive use of the board's top ratings, AAA, AA-1 and AA-2, and also the right to approve or reject applications for other ratings down to and including AA-4. The immediate effect of this is to subordinate all requirements considered to be of a less essential character. The Army and Navy now have authority over the right-of-way of the nation's iron and steel supplies. As a further move to direct the flow of steel into war channels, present tonnages on AA-2 ratings are being given a standing equal to AA-1, and to eliminate the necessity of rerating the AA-2 tonnage already on mill books, and approved by the Army and Navy, a rating of AA-2X has been established to fill the gap.

"Adding to the industry's scheduling problems is a new procedure providing for the application of re-ratings by the companies which operate under the Production Requirements Plan. This provides that a company may, not oftener than twice a month, revise the rating pattern of its outstanding purchase orders, in accordance with the re-ratings it has received.

"These and other revisions just announced will likely cause a further flurry in re-ratings of jobber orders, left off Aug. 15. In the latter case, in an emergency action designed to enable jobbers to build up stocks to some extent, all orders placed by distributors with ratings above A-I-K and extended on form PD-83-g were given priorities of AA-3, except in certain products, notably structural, bars and plates, effected largely by allocations of one description or another.

"Paper work in connection with re-ratings continues so heavy that some mills are not able to schedule much below AA-2 and certain producers not even that, although still others appear in somewhat better position. In fact, under production directives, which require a producer to roll a given minimum quantity of a specified product within a given period, they are able to give attention to ratings on some products which are further down the scale than they have considered for some time.

"The steel procurement problem, as far as getting specified compositions is concerned, is becoming more complicated.

"One of the most important war-time developments in metallurgy is the announcement of a new series of steels to be known as 'National Emergency 9400 Series' which are to be made entirely of alloy scrap, with practically no virgin alloying element. The steels were developed by a group of metallurgists, representing the American Iron and Steel Institute, at the request of the War Production Board, which asked for a new set of steel specifications satisfactory for certain war goods.

"Production of steel ingots in July—7,148,824 net tons—was the highest ever attained in the month, the industry operating at 94.5% of capacity as of July 1. The new rated capacity figure is 89,198,320 tons annually, an increase of 628,350 tons in the first half of the year. Ingot output in the first seven months this year was 49,719,071 tons, 5% more than in the period last year."

1942 Cotton Loan Program

The 1942 cotton loan program of Commodity Credit Corporation was announced on Aug. 8 by the Department of Agriculture. The Department gives the following details:

"The loan rate is based on 85% of parity price as of Aug. 1, 1942, the beginning of the 1942 marketing year. The average loan rate on seven-eighths-inch middling cotton, gross weight, will be 16.02 cents per pound, based upon parity price of 18.85 for Aug. 1, 1942. Last year the average loan rate on seven-eighths-inch middling cotton, gross weight, was 14.02 cents per pound.

"Premiums and discounts for grade and staple in the 1942 program will be calculated in relation to the loan rate on fifteen-sixteenths-inch middling cotton. The rate for middling fifteen-sixteenths cotton will be 20 points (.2 cents per pound) above the basic rate for seven-eighths-inch middling cotton. As in previous programs, the loan rate will be based on the weight of the cotton. The net weight loan rate will be 70 points above that for gross weight to compensate for the lesser number of pounds on which the loan is extended. The average loan rate for fifteen-sixteenths-inch middling cotton, net weight, will be 16.92 cents per pound.

"The loan rates will vary because of location. The rate for fifteen-sixteenths-inch middling cotton, net weight will vary from a high of 17.46 cents per pound in the mill area of the Carolinas to 16.25 cents per pound in Arizona and California.

"Location differentials will be based on freight rates to the mill

area of the Carolinas, except in eastern Mississippi, eastern Tennessee, Virginia, North Carolina, South Carolina, Georgia, Florida and Alabama where a zone system will be in effect.

"Cotton producers' notes will bear interest at the rate of 3% per annum and will mature July 31, 1943, but will be callable on demand. Loans will be available until May 1, 1943.

"Loans will be made only on cotton represented by warehouse receipts issued by warehouses approved by Commodity Credit Corporation. Cotton to be eligible for the loan must be classed by a Board of Cotton Examiners of the United States Department of Agriculture.

"The full loan rate will be available only to producers who meet the requirements for a 'Cooperator' under the cotton loan regulations. Noncooperating producers may receive a loan at 60% of the rate available to cooperators on that part of their cotton subject to penalty."

Wants Coffee Roasters To Pay Importers More

Price Administrator Leon Henderson on Aug. 9 requested coffee roasters holding old contracts at lower than the Office of Price Administration's maximum prices to void these contracts with coffee importers voluntarily and make payment at the higher permissible ceiling levels. The Price Administrator indicated that such a step was necessary to alleviate severe losses to retailers on allotted contracts during the adjustment period, when the coffee industry's increased freight and insurance charges are being absorbed by the Commodity Credit Corporation.

It was pointed out that such settlement by roasters not only would aid in maintaining a normal channel of distribution—the importer—but also could be accomplished without financial sacrifice to the roaster, who still can get his coffee more cheaply than previously, when he had to pay his own excess freight and insurance charges.

Administrator Henderson also lauded the CCC action in absorbing coffee roasters' added costs since Dec. 7 on war risk and marine insurance, ocean freight surcharge rates and 75% of the interest and freight costs due to steamship deviations to Southern

Daily Average Crude Oil Production For Week Ended Aug. 8, 1942 Up 587,400 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Aug. 8, 1942, was 3,970,450 barrels, an increase of 587,400 barrels over the daily average output for the week ended Aug. 1, 1942, and 58,500 barrels per day higher than in the week ended Aug. 9, 1941. The current figure, however, was 68,050 barrels below the daily average for the month of August, 1942, as recommended by the Office of Petroleum Coordinator. The daily production for the four weeks ended Aug. 8, 1942, averaged 3,689,400 barrels. Further details as reported by the Institute follow:

Reports received from refining companies owning 85.6% of the 4,800,000 barrels estimated daily potential refining capacity of the United States, indicate that the industry as a whole ran to stills, on a Bureau of Mines' basis, 3,561,000 barrels of crude oil daily during the week ended Aug. 8, 1942, and that all companies had in storage at refineries, bulk terminals, in transit and in pipe lines as of the end of that week, 81,315,000 barrels of finished and unfinished gasoline. The total amount of gasoline produced by all companies is estimated to have been 11,155,000 barrels during the week ended Aug. 8, 1942.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

District	*O.P.C. Recommendations		*State Allowables		Actual Production		4 Weeks Ended	Week Ended
	Aug. 8	Aug. 1	Aug. 8	Aug. 1	Week Ended	Change From Previous Week		
Oklahoma	415,500	415,500	389,200	389,200	381,600	+ 5,800	381,600	415,150
Kansas	281,900	281,900	256,250	256,250	276,500	- 23,800	276,500	225,250
Nebraska	4,100	4,100	13,560	13,560	3,500	+ 50	3,500	5,950
Panhandle Texas			100,000	100,000	83,800	+ 34,200	83,800	80,250
North Texas			139,100	139,100	139,950	- 850	139,950	130,850
West Texas			247,850	247,850	202,400	+ 109,650	202,400	272,650
East Central Texas			91,550	91,550	85,300	+ 16,700	85,300	83,200
East Texas			420,000	420,000	307,200	+ 201,950	307,200	369,950
Southwest Texas			184,650	184,650	148,450	+ 85,550	148,450	218,350
Coastal Texas			300,950	300,950	244,850	+ 129,500	244,850	284,250
Total Texas	1,396,700	1,388,021	1,484,100	1,484,100	1,211,950	+ 577,550	1,211,950	1,439,500
North Louisiana			97,200	97,200	95,700	+ 1,000	95,700	79,300
Coastal Louisiana			234,700	234,700	230,400	+ 100	230,400	243,000
Total Louisiana	332,600	350,600	331,900	331,900	326,100	+ 1,100	326,100	322,300
Arkansas	81,600	72,072	72,550	72,550	72,400	+ 50	72,400	73,600
Mississippi	50,000		175,200	175,200	78,700	+ 6,800	78,700	47,850
Illinois	289,300		281,650	281,650	275,800	+ 7,300	275,800	356,850
Indiana	20,600		119,050	119,050	18,600	+ 750	18,600	20,250
Eastern (not incl. Ill. & Ind.)	110,000		92,400	92,400	96,200	- 10,150	96,200	88,000
Michigan	66,800		62,400	62,400	61,700	+ 100	61,700	41,900
Wyoming	95,000		91,900	91,900	91,450	+ 1,150	91,450	85,700
Montana	22,700		23,250	23,250	22,100	+ 1,600	22,100	20,400
Colorado	7,200		6,600	6,600	6,800	- 200	6,800	3,950
New Mexico	97,300	97,300	70,650	70,650	69,300	+ 109,700	69,300	109,700
Total East of Calif.	3,271,300	3,271,300	3,260,650	3,260,650	2,992,700	+ 554,300	2,992,700	3,256,350
California	767,200	767,200	709,800	709,800	696,700	+ 33,100	696,700	655,600
Total United States	4,038,500	4,038,500	3,970,450	3,970,450	3,689,400	+ 587,400	3,689,400	3,911,950

*O. P. C. recommendations and state allowables represent the production of all petroleum liquids, including crude oil, condensate and natural gas derivatives recovered from oil, condensate and gas fields. Past records of production indicate, however, that certain wells may be incapable of producing the allowables granted, or may be limited by pipeline prorations. Actual State production would, under such conditions, prove to be less than the allowables. The Bureau of Mines reported the daily average production of natural gasoline in May, 1942, as follows: Oklahoma, 28,100; Kansas, 4,600; Texas, 97,500; Louisiana, 17,900; Arkansas, 2,700; New Mexico, 5,200; California, 40,000; other States, 20,700.

*Oklahoma, Kansas, Nebraska, Mississippi, Indiana figures are for week ended 7 a. m. Aug. 5.

*As provided for in the original order of the Texas Railroad Commission, this is the net basic allowable as of Aug. 1 calculated on a 31-day basis and including shut-downs and exemptions for the entire month. Shutdown was ordered for Aug. 8, 9, 15, 16, 22, 23, 29, 30 and 31. A revised order was issued, effective Aug. 8, increasing the allowable to approximately 1,482,433 barrels and lifting the shutdowns in certain fields for Aug. 8, production for which is included with this week's figures. Shutdown in several other fields was lifted for Aug. 22, 23, 29, 30 and 31.

†Recommendation of Conservation Committee of California Oil Producers.

CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE AND GAS AND FUEL OIL, WEEK ENDED AUG. 8, 1942

District	Daily Refining Capacity		Crude Runs to Still		Production of Gasoline		Stocks of Gasoline	Stocks of Fuel Oil
	Potential	% Reporting	Daily Average	% Crated	at Refineries	Stocks of Finished and Unfinished Gasoline		
Combin'd: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana - Arkansas and Inland Texas	2,440	88.2	1,627	66.7	5,020	38,655	19,410	17,988
Appalachian	176	84.8	142	80.7	424	2,883	584	550
Ind., Ill., Ky.	804	83.3	715	88.9	2,569	15,092	5,073	3,768
Okl., Kansas, Mo.	416	80.1	366	88.0	1,237	7,021	1,603	1,419
Rocky Mountain	147	48.0	89	60.5	293	2,111	412	567
California	817	89.9	622	76.1	1,612	15,553	11,942	54,283
Total U. S. B. of M. basis, Aug. 8, 1942	4,800	85.6	3,561	74.2	11,155	78,135	39,024	78,575
Total U. S. B. of M. basis, Aug. 1, 1942	4,684	86.9	3,672	78.4	11,138	81,324	37,530	78,383
U. S. Bur. of Mines basis, Aug. 9, 1941			3,912		12,965	84,073	43,996	93,189

*At the request of the Office of Petroleum Coordinator.
†Finished, 73,649,000 barrels; unfinished, 7,666,000 barrels.
‡At refineries, at bulk terminals, in transit, and in pipe lines.

Wholesale Commodity Prices Continue Steady In August 8 Week, Labor Bureau Reports

The Bureau of Labor Statistics, U. S. Department of Labor, announced on Aug. 13 that commodity prices in primary markets were comparatively steady during the week ended Aug. 8. The Bureau's index of 889 price series remained unchanged at 98.6% of the 1926 level. Average prices for these commodities are now at exactly the same level as in the week of April 25, just before the General Maximum Price Regulation was issued. They are 10% higher than at this time last year.

The indexes for four of the 10 major commodity groups declined during the week and 1—building materials—advanced. In all cases the changes were less than one-half of 1%.

The Bureau makes the following notation:

During the period of rapid changes caused by price controls, materials allocation, and rationing the Bureau of Labor Statistics will attempt promptly to report changing prices. The indexes marked (*), however, must be considered as preliminary and subject to such adjustment and revision as required by late and more complete reports.

The following table shows index numbers for the principal groups of commodities for the past three weeks, for July 11, 1942 and Aug. 9, 1941, and the percentage changes from a week ago, a month ago, and a year ago.

WHOLESALE PRICES FOR WEEK ENDED AUG. 8, 1942 (1926=100)

Commodity Groups—All Commodities	Week Ended				Percentage changes to			
	8-8	8-1	7-25	7-11	Aug. 8, 1942 from—	7-11	8-9	1941
Farm products	105.4	105.6	105.4	105.5	87.8	-0.2	-0.1	+20.0
Foodstuffs	99.7	100.1	98.9	98.7	86.2	-0.4	+1.0	+15.7
Hides and leather products	118.8	118.8	118.8	118.9	109.9	0	-0.1	+8.1
Textile products	96.5	96.5	96.8	96.8	87.1	0	-0.3	+10.8
Fuel and lighting materials	79.6	79.6	79.5	79.5	79.6	0	+0.1	0
Metals and metal products	103.9	103.9	103.9	104.0	98.6	0	-0.1	+5.4
Building materials	110.2	110.0	110.1	110.3	104.2	+0.2	-0.1	+5.8
Chemicals and allied products	96.3	96.4	96.4	97.2	85.7	-0.1	-0.9	+12.4
Housefurnishing goods	104.4	104.4	104.4	104.5	95.9	0	-0.1	+8.9
Miscellaneous commodities	88.9	89.1	89.6	90.0	83.0	-0.2	-1.2	+7.1
Raw materials	100.4	100.5	99.8	99.8	87.4	-0.1	+0.6	+14.9
Semimanufactured articles	92.6	92.6	92.6	92.6	88.8	0	-0.2	+4.2
Manufactured products	98.9	98.8	98.8	98.9	91.0	+0.1	0	+8.7
All commodities other than farm products	97.2	97.1	96.9	97.0	90.0	+0.1	+0.2	+8.0
All commodities other than farm products and foods	95.7	95.8	95.9	96.0	90.6	-0.1	-0.3	+5.6

Electric Output For Week Ended Aug. 15, 1942 Shows 12.9% Gain Over Same Week In 1941

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended Aug. 15, 1942, was 3,654,795,000 kwh., which compares with 3,238,160,000 kwh., in the corresponding period in 1941, a gain of 12.9%. The output for the week ended Aug. 8, 1942, was estimated to be 3,637,070,000 kwh., an increase of 12.5% over the corresponding week in 1941.

PERCENTAGE INCREASE OVER PREVIOUS YEAR

Major Geographical Divisions	Week Ended			
	Aug. 15, '42	Aug. 8, '42	Aug. 1, '42	July 25, '42
New England	6.2	3.9	6.4	4.9
Middle Atlantic	9.7	7.0	6.7	8.6
Central Industrial	7.3	7.5	7.5	8.9
West Central	4.3	4.8	5.6	7.6
Southern States	21.9	23.5	20.0	21.5
Rocky Mountain	8.3	7.6	8.1	7.1
Pacific Coast	25.5	24.6	23.8	21.2
Total United States	12.9	12.5	11.8	12.6

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Week Ended	1942		1941		% Change over 1941
	1942	1941	1942	1941	
Jun 6	3,372,374	3,076,323	2,598,817	1,435,471	1,689,925
Jun 13	3,463,528	3,101,291	2,664,853	1,441,532	1,699,227
Jun 20	3,433,711	3,091,672	2,653,788	1,440,541	1,702,501
Jun 27	3,457,024	3,156,825	2,659,825	1,456,961	1,723,428
July 4	3,424,188	2,903,727	2,425,229	1,341,730	1,592,075
July 11	3,428,918	3,178,054	2,651,626	1,415,704	1,711,625
July 18	3,565,367	3,199,105	2,681,071	1,433,993	1,727,225
July 25	3,625,645	3,220,526	2,760,935	1,440,386	1,723,031
Aug 1	3,649,146	3,263,082	2,762,240	1,426,986	1,724,728
Aug 8	3,637,070	3,233,242	2,743,284	1,415,122	1,729,667
Aug 15	3,654,795	3,238,160	2,745,697	1,431,910	1,733,110
Aug 22	3,654,795	3,230,750	2,714,193	1,436,440	1,750,556
Aug 29	3,654,795	3,261,149	2,736,224	1,464,700	1,761,594

Engineering Const. Up 119% Over Year Ago

Engineering construction volume for the week totals \$200,600,000, an increase of 22% over a week ago, and 119% more than the total reported for the corresponding week last year by "Engineering News-Record." Private construction is 32% higher than in the preceding week, but is 34% lower than in the 1941 week. Public work gains 22% over last week and 152% over last year due to the increase in Federal construction.

The current week's construction brings the 1942 volume to \$6,471,393,000, an increase of 57% over the \$4,125,233,000 reported for the 33-week period in 1941. Private work, \$422,611,000, is 51% below the period last year, but public construction, \$6,048,782,000, is 85% higher as a result of the 134% gain in Federal work.

Construction volumes for the 1941 week, last week, and the current week are:

	Aug. 14, 1941	Aug. 6, 1942	Aug. 13, 1942
Total Construction	\$91,586,000	\$163,973,000	\$200,600,000
Private Construction	16,491,000	8,274,000	10,889,000
Public Construction	75,095,000	155,699,000	189,711,000
State and Municipal	21,499,000	9,319,000	6,744,000
Federal	53,596,000	146,380,000	182,967,000

In the classified construction groups, gains over last week are in waterworks, sewerage, commercial buildings, public buildings, earthwork and drainage, and unclassified construction. Increases over the 1941 week are in waterworks, sewerage, public buildings, and unclassified construction. Subtotals for the week in each class of construction are: waterworks, \$5,590,000; sewerage, \$9,399,000; bridges, \$732,000; industrial buildings, \$1,950,000; commercial building and large-scale private housing, \$8,689,000; public buildings, \$114,061,000; earthwork and drainage, \$10,161,000; streets and roads, \$11,997,000; and unclassified construction, \$38,021,000.

New capital for construction purposes for the week totals \$1,023,000. This compares with \$17,501,000 for the week last year. The week's new financing is made up of \$958,000 in State and municipal bond sales, and \$65,000 in corporate security issues.

New construction financing for the year to date, \$9,509,648,000, tops the volume for the 33-week period a year ago by 77%.

June Farm Income Far Ahead Of Year Ago

Cash income from farm marketings made about the usual seasonal increase from May to June, according to the July issue of "The Farm Income Situation," published by the Bureau of Agricultural Economics, U. S. Department of Agriculture. The total in June was \$1,059,000,000, compared with \$993,000,000 in May and \$773,000,000 in June, 1941. Income from crops increased much less than usual from May to June, largely because of smaller receipts from cotton and wheat. This was offset by a substantial increase in sales of all meat animals in June over May, so that income from livestock increased instead of declining seasonally as usual at this time of year. For poultry and eggs, the decline from May to June in income was less than usual, and for dairy products the increase was smaller than usual. Government payments in May were not available for this report, but January to May payments amounted to \$389,000,000, compared with \$303,000,000 last year. The Bureau's report further said:

"During the first half of 1942 cash income from farm marketings totaled \$5,773,000,000, compared with \$4,012,000,000 in the same period last year. Income from crops increased from \$1,229,000,000 to \$1,666,000,000, an increase of 36%, and income from livestock and livestock products was up from \$2,783,000,000 to \$4,107,000,000, or 48%. The largest increases were from cotton, oil-bearing crops, meat animals, and eggs, although returns from all other groups of farm products were also somewhat higher.

"Income from truck crops in June was up more than seasonally from May and income from feed grains and hay increased slightly after seasonal adjustment. On the other hand, because of slightly later harvesting, the returns from wheat increased

Weekly Coal and Coke Production Statistics

The Bituminous Coal Division, U. S. Department of the Interior, in its latest report, states that the total production of soft coal in the week ended Aug. 8, 1942 is estimated at 10,925,000 net tons, a decrease of 275,000 tons, or 2.5%, from the preceding week. Output in the corresponding week of 1941 amounted to 10,699,000 net tons. Total production of soft coal in 1942 to date shows an increase of 20.3% over the corresponding period in 1941.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended Aug. 8, 1942 was estimated at 1,227,000 tons, a decrease of 24,000 tons or 1.9% from the preceding week. When compared with the output in the corresponding week of 1941, there was a decrease of 108,000 tons (8.1%). The calendar year to date shows a gain of 8.1% when compared with the corresponding period of 1941.

The U. S. Bureau of Mines also reported that the estimated production of by-product coke in the United States for the week ended Aug. 8, 1942 showed an increase of 1,600 tons when compared with the output for the week ended Aug. 1. The quantity of coke from beehive ovens decreased 4,900 tons during the same period.

ESTIMATED UNITED STATES PRODUCTION OF COAL, IN NET TONS (000 OMITTED)

	Week Ended			January 1 to Date		
	Aug. 8, 1942	Aug. 1, 1942	Aug. 9, 1941	Aug. 8, 1942	Aug. 9, 1941	Aug. 7, 1937
Bituminous and lignite coal—	10,925	11,200	10,699	344,333	286,159	264,168
Total incl. mine fuel—	1,821	1,867	1,783	1,865	1,557	1,433
Daily average—						

*Subject to current adjustment.

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

	Week Ended			Calendar Year to Date		
	Aug. 8, 1942	Aug. 1, 1942	Aug. 9, 1941	Aug. 8, 1942	Aug. 9, 1941	Aug. 10, 1929
Penn anthracite—	1,227,000	1,251,000	1,335,000	36,120,000	33,407,000	41,886,000
*Total, incl. colliery fuel	1,166,000	1,188,000	1,268,000	34,314,000	31,737,000	38,870,000
†Commercial production	150,200	155,100	145,900	4,772,000	3,752,900	4,211,300
Beehive coke—						
United States total—	1,201,700	1,200,100		37,021,500		
By-product coke—						
United States total—						

*Includes washery and dredge coal, and coal shipped by truck from authorized operations. †Excludes colliery fuel. ‡Comparable data not available. §Subject to revision.

ESTIMATED WEEKLY PRODUCTION OF COAL, BY STATES

(In Thousands of Net Tons)

(The current weekly estimates are based on railroad carloadings and river shipments and are subject to revision on receipt of monthly tonnage reports from district and State sources or of final annual returns from the operators.)

State—	Week Ended					July ave. 1923
	Aug. 1, 1942	July 25, 1942	Aug. 2, 1941	Aug. 3, 1940	July 31, 1937	
Alaska	5	4	4	4	2	**
Alabama	378	361	340	304	264	389
Arkansas and Oklahoma	90	91	80	48	58	74
Colorado	134	135	115	75	88	165
Georgia and North Carolina	1	1	1	††	††	**
Illinois	1,124	1,088	1,119	839	710	1,268
Indiana	470	467	431	287	234	451
Iowa	43	43	38	44	33	87
Kansas and Missouri	159	145	134	94	92	134
Kentucky—Eastern	964	962	928	806	745	735
Kentucky—Western	223	206	198	126	137	202
Maryland	36	38	38	24	29	42
Michigan	6	5	1	1	3	17
Montana (bituminous and lignite)	63	65	46	46	43	41
New Mexico	33	33	20	15	28	52
North and South Dakota (lignite)	24	22	24	15	13	**14
Ohio	677	685	621	418	395	854
Pennsylvania (bituminous)	2,728	2,688	2,706	2,127	2,035	3,680
Tennessee	133	133	126	93	97	113
Texas (bituminous and lignite)	6	6	7	9	23	23
Utah	111	112	72	64	48	87
Virginia	403	399	401	293	245	239
Washington	39	40	27	27	32	37
*West Virginia—Southern	2,306	2,292	2,288	1,911	1,903	1,519
†West Virginia—Northern	913	883	804	594	483	866
Wyoming	130	126	110	91	97	115
‡Other Western States	1	††	††	††	††	**4
Total bituminous and lignite	11,200	11,050	10,675	8,355	7,837	11,208
§Pennsylvania anthracite	1,251	1,230	1,299	787	611	1,950
Total, all coal	12,451	12,280	11,974	9,142	8,448	13,158

*Includes operations on the N. & W.; C. & O.; Virginian; K. & M.; B. C. & G.; and on the B. & O. in Kanawha, Mason, and Clay counties. †Rest of State, including the Panhandle District and Grant, Mineral, and Tucker counties. ‡Includes Arizona, California, Idaho, Nevada, and Oregon. §Data for Pennsylvania anthracite from published records of the Bureau of Mines. †Average weekly rate for entire month. **Alaska, Georgia, North Carolina, and South Dakota included with "other Western States." ††Less than 1,000 tons.

and housedresses. Infants' underwear, furs and women's shoes showed the smallest advances.

"With the Aug. 1 index remaining unchanged, the index stays only fractionally above the March level; the base for the General Maximum Price Regulation set by the Office of Price Administration. The peak in retail prices having been reached in March, changes in retail quotations will continue to be comparatively nominal in the near future, according to A. W. Zelomek, economist, under whose supervision the index is compiled. However, some upward adjustments have already been made, particularly in the case of low cost distributors or to relieve special hardships, and more will undoubtedly be necessary."

THE FAIRCHILD PUBLICATIONS RETAIL PRICE INDEX

JAN. 3, 1931=100

Copyright 1941 Fairchild News Service

	May 1, 1933	Aug. 1, 1941	May 1, 1942	June 1, 1942	July 1, 1942	Aug. 1, 1942
Composite Index	69.4	99.6	113.4	113.2	113.1	113.1
Piece Goods	65.1	93.3	112.6	112.2	112.2	†112.3
Men's Apparel	70.7	91.5	105.6	105.2	105.1	105.1
Women's Apparel	71.8	96.9	113.2	113.0	112.9	112.8
Infants' Wear	76.4	98.7	108.6	108.3	108.0	108.0
Home Furnishings	70.2	102.4	115.8	115.7	115.6	115.6
Piece Goods						
Silks	57.4	72.0	85.1	84.9	84.9	†85.0
Woolens	69.2	93.2	108.5	108.4	108.2	108.1
Cotton Wash Goods	68.6	114.6	144.1	143.4	143.4	†143.9
Domestic						
Sheets	65.0	100.8	127.7	127.2	127.0	127.0
Blankets & Comfortables	72.9	120.8	135.2	135.2	134.9	†135.0
Women's Apparel						
Hosiery	59.2	73.5	94.8	94.5	94.1	94.1
Aprons & House Dresses	75.5	111.0	141.0	140.8	140.6	140.5
Corsets & Brassieres	83.6	94.6	111.4	111.4	111.3	111.3
Furs	66.8	*126.2	*136.3	*136.1	*136.0	*136.0
Underwear	69.2	88.0	103.1	102.8	102.8	102.7
Shoes	76.5	89.1	92.5	92.5	92.5	92.4
Men's Apparel						
Hosiery	64.9	89.2	108.6	108.1	108.1	108.0
Underwear	69.6	94.2	115.6	114.7	114.7	114.6
Shirts & Neckwear	74.3	87.4	99.6	99.2	99.0	99.0
Hats & Caps	69.7	85.7	94.9	94.3	94.3	94.3
Clothing incl. Overalls	70.1	95.2	105.3	105.1	105.1	105.1
Shoes	76.3	97.4	103.8	103.6	103.5	†103.6
Infants' Wear						
Socks	74.0	104.0	115.6	115.1	114.4	†114.5
Underwear	74.3	95.9	103.8	103.8	103.6	103.6
Shoes	80.9	96.3	106.4	105.9	105.9	105.9
Furniture	69.4	116.7	129.3	129.2	129.2	129.2
Floor Coverings	79.9	135.1	147.0	146.8	146.8	146.8
Radios	50.6	*56.7	*66.8	*66.8	*66.8	*66.8
Luggage	60.1	*79.1	*95.2	*95.0	*94.8	*94.7
Electrical Household Appliances	72.5	*84.9	*93.6	*93.6	*93.5	*93.5
China	81.5	102.1	110.9	110.8	110.7	110.6

Note—Composite Index is a weighted aggregate. Major group indexes are arithmetic averages of subgroups.

*The Federal tax of 10% at retail is excluded in the computation of the fur index. The excise taxes on luggage, radios, and electrical appliances are levied on the manufacturers.

†Increase due solely to special pricing of new mail order catalogs; such catalogs are generally issued twice a year—in January and July. Thus permissible increases above January prices appear for the first time in this month's index.

Supply And Distribution Of Domestic And Foreign Cotton In The U. S., Season Of 1941-42

The preliminary report for the several items of the supply and distribution of cotton in the United States for the 12 months ending July 31, 1942, issued by the Department of Commerce, Bureau of the Census, at Washington on Aug. 15, are presented in the following tabular statements. Number I shows the principal items of supply and distribution; Number II the comparative figures of stocks held on July 31, 1941 and 1942; and Number III further details concerning the supply and the distribution. The quantities are given in running bales, except that round bales are counted as half bales and foreign cotton in equivalent 500-pound bales. Linters are not included.

I—COTTON GINNED, CONSUMED, AND DESTROYED IN THE UNITED STATES FOR THE 12 MONTHS ENDING JULY 31, 1942

	Bales
Ginnings, from Aug. 1, 1941, to July 31, 1942	10,541,538
Consumed	11,172,328
Destroyed (baled cotton)	50,000

II—STOCKS OF COTTON IN THE UNITED STATES JULY 31, 1942 AND 1941

	1942 Bales	1941 Bales
In consuming establishments	2,252,690	1,876,776
In public storages and at compresses	7,632,193	9,703,976
†Elsewhere (partially estimated)	705,000	585,000
Total	10,589,883	12,165,752

III—SUPPLY AND DISTRIBUTION OF DOMESTIC AND FOREIGN COTTON IN THE UNITED STATES FOR THE 12 MONTHS ENDING JULY 31, 1942

	Bales	Bales
*SUPPLY		
Stocks on hand Aug. 1, 1941, total		12,165,752
In consuming establishments	1,876,776	
In public storages and at compresses	9,703,976	
†Elsewhere (partially estimated)	585,000	
Ginnings during 12 months, total		10,541,538
Crop of 1941 after July 31, 1941	10,492,912	
Crop of 1942 to Aug. 1, 1942	48,626	
*DISTRIBUTION		
Consumed		11,172,328
Destroyed (baled cotton)		50,000
Stocks on hand July 31, 1942, total		10,589,883
In consuming establishments	2,252,690	
In public storages and at compresses	7,632,193	
†Elsewhere (partially estimated)	705,000	

†Includes cotton for export on shipboard but not cleared; cotton coastwise; cotton in transit to ports, interior towns, and mills; cotton on farms, etc.

*In the interest of national defense, the Department of Commerce has decided to discontinue until further notice the publication of detailed statistics concerning imports and exports. Therefore imports have not been included in the figures given for supply and exports have not been included in the figures given for distribution.

Note—Foreign cottons included in above items are 197,799 bales consumed; 139,622 on hand Aug. 1, 1941; and 134,880 on hand July 31, 1942.

Supply and Distribution Statistics for Linters

(Not Included in Cotton Statistics Above)

Stocks of linters Aug. 1, 1941, were 787,398 running bales; production during 12 months ending July 31, 1942, 1,183,871 bales; consumption 1,494,073 bales; destroyed 3,800 bales; and stocks July 31, 1942, 629,240 bales.

Earnings, Payrolls At New Peaks In June

Hourly and weekly earnings and payrolls again rose in June to surpass all previous records, according to the regular monthly survey of 25 manufacturing industries by The Conference Board, New York. The Board stated under date of Aug. 17 that "this is true of weekly earnings not only in terms of dollars and cents but also when measured by the amounts of goods and services these earnings would buy." It adds:

"When considered in terms of the commodities and services that could be obtained, the weekly pay envelope of the average worker contained more than in any previous month. 'Real' weekly earnings, or dollar earnings adjusted for changes in living costs, rose 1.3% in June because weekly earnings advanced and the cost of living remained unchanged. The June level was 5.0% higher than that a year earlier, and 42.4% higher than that for 1929."

From the Board's advices we also quote:

"Average weekly earnings of all wage earners in the 25 manufacturing industries were 1.4% higher than in May. At \$39.53 they stand 15.4% above June, 1941 and 38.5% over the 1929 average. In 14 of the industries surveyed, the average weekly return advanced above the May level while in nine industries, declines of less than one dollar were recorded and the remaining two showed substantial declines.

"Hourly earnings advanced 1.2% from May to June, the survey shows. At \$9.17 an hour, they exceeded those of June, 1941 by 12.1% and the average for 1929 by 55.4%. This was a result of increases in 21 industries, no change in two, and declines in two industries. In a number of instances higher hourly earnings were due to wage increases or the attainment of greater skill by workers and their transfer to more highly paid occupations.

"The number of hours worked in one week again reached the post-depression peak which had been attained in April of this year. For the 25 manufacturing industries as a whole, an average of 42.8 hours was recorded. The heavy equipment industry averaged exactly 48 hours, the machine and machine tool industry 51 hours, while all other industries surveyed totaled less than 48. Total man hours worked also rose above all previous peak levels, with an advance of 1.7% over May, 14.3% above June, 1941, and 17.9% higher than in 1929. This was the effect of increased employment coupled with a longer work week.

"Payrolls, due to the increase in man hours and higher hourly earnings, rose 2.9% to 199.9% of the 1923 average. This was a rise of 28.7% above June of last year and 84.4% above the 1929 average.

"The lumber and millwork industry showed the largest increases in both hours and earnings. Hourly earnings for that industry rose 4.8% from May to June, weekly earnings advanced 11.1% as a result of a 6.0% increase in the length of the work week, involving overtime payment.

Get Diplomatic Posts

President Roosevelt sent to the Senate on Aug. 10 the nominations of Thomas M. Wilson, of Tennessee, to be Minister Resident and Consul General to Iraq, and of Leland B. Morris, of Pennsylvania, to be Minister to Iceland. Both are at present Foreign Service officers of Class 1. Mr. Morris was the ranking United States diplomatic representative in Germany when war was declared. The Senate confirmed both these nominations on Aug. 13.

Revenue Freight Car Loadings During Week Ended Aug. 8, 1942 Totaled 849,752 Cars

Loading of revenue freight for the week ended Aug. 8, totaled 849,752 cars, the Association of American Railroads announced on Aug. 13. This was a decrease below the corresponding week in 1941 of 28,753 cars or 3.3%, but an increase above the same week of 1940 of 122,679 cars or 16.9%.

Loading of revenue freight for the week of Aug. 8 decreased 13,776 cars or 1.6% below the preceding week.

Miscellaneous freight loading totaled 387,126 cars, a decrease of 7,986 cars below the preceding week, but an increase of 26,487 cars above the corresponding week in 1941.

Loading of merchandise less than carload lot freight totaled 89,051 cars, a decrease of 524 cars below the preceding week, and a decrease of 67,658 cars below the corresponding week in 1941.

Coal loading amounted to 163,440 cars, a decrease of 2,283 cars below the preceding week, and a decrease of 2,994 cars below the corresponding week in 1941.

Grain and grain products loading totaled 42,126 cars, a decrease of 1,492 cars below the preceding week, and a decrease of 3,762 cars below the corresponding week in 1941. In the Western Districts alone, grain and grain products loading for the week of Aug. 8 totaled 27,650 cars, a decrease of 940 cars below the preceding week, and a decrease of 4,453 cars below the corresponding week in 1941.

Livestock loading amounted to 11,998 cars, an increase of 209 cars above the preceding week, and an increase of 2,012 cars above the corresponding week in 1941. In the Western Districts alone, loading of livestock for the week of Aug. 8 totaled 8,745 cars, an increase of 260 cars above the preceding week, and an increase of 1,541 cars above the corresponding week in 1941.

Forest products loading totaled 53,083 cars, a decrease of 2,379 cars below the preceding week, but an increase of 3,964 cars above the corresponding week in 1941.

Ore loading amounted to 89,052 cars, an increase of 622 cars above the preceding week, and an increase of 12,352 cars above the corresponding week in 1941.

Coke loading amounted to 13,876 cars, an increase of 57 cars above the preceding week, and an increase of 846 cars above the corresponding week in 1941.

All districts reported decreases compared with the corresponding week in 1941, except the Southwestern but all districts reported increases over 1940.

	1942	1941	1940
Five weeks of January	3,858,273	3,454,409	3,215,565
Four weeks of February	3,122,773	2,866,565	2,465,685
Four weeks of March	3,171,439	3,066,011	2,489,280
Four weeks of April	3,351,038	2,793,630	2,495,212
Five weeks of May	4,170,713	4,160,060	3,351,840
Four weeks of June	3,385,769	3,510,057	2,896,953
Four weeks of July	3,321,568	3,413,435	2,822,450
Week of Aug. 1	863,528	883,022	717,927
Week of Aug. 8	849,752	878,505	727,073
Total	26,094,853	25,024,694	21,181,985

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Aug. 8, 1942. During this period only 45 roads showed increases when compared with the corresponding week last year.

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1942	1941	1940	1942	1941	1940
Eastern District—						
Ann Arbor	389	587	662	1,271	1,402	
Bangor & Aroostook	1,027	921	816	187	265	
Boston & Maine	5,929	8,917	7,216	13,839	13,055	
Chicago, Indianapolis & Louisville	1,359	1,632	1,304	1,772	2,472	
Central Indiana	29	14	14	53	71	
Central Vermont	1,036	1,555	1,198	2,528	2,541	
Delaware & Hudson	6,617	7,161	5,548	11,481	11,006	
Delaware, Lackawanna & Western	7,402	10,277	7,950	10,578	8,884	
Detroit & Mackinac	346	414	406	124	116	
Detroit, Toledo & Ironton	1,511	2,442	1,391	1,273	1,324	
Detroit & Toledo Shore Line	307	290	199	2,515	3,324	
Erie	12,800	15,048	12,423	15,640	16,099	
Grand Trunk Western	4,007	4,189	3,387	7,798	7,999	
Lehigh & Hudson River	146	157	172	2,362	2,553	
Lehigh & New England	2,258	2,504	1,914	2,042	2,170	
Lehigh Valley	9,049	10,320	8,225	11,447	10,041	
Maine Central	2,265	3,241	2,825	2,487	2,529	
Monongahela	6,385	6,640	5,002	338	382	
Montour	2,305	2,444	2,285	28	41	
New York Central Lines	46,782	49,181	40,783	55,789	50,042	
N. Y., N. H. & Hartford	9,447	11,964	9,186	19,374	16,649	
New York, Ontario & Western	961	1,238	1,148	2,379	2,406	
New York, Chicago & St. Louis	7,094	7,234	5,881	15,456	13,806	
N. Y., Susquehanna & Western	326	538	404	1,821	1,712	
Pittsburgh & Lake Erie	7,631	8,287	7,623	8,655	9,428	
Pere Marquette	5,166	5,627	5,007	6,372	6,356	
Pittsburgh & Shawmut	804	664	832	22	30	
Pittsburgh, Shawmut & North	372	439	348	285	574	
Pittsburgh & West Virginia	1,151	1,240	1,067	3,559	2,212	
Rutland	371	562	588	978	1,175	
Wabash	5,684	6,108	5,372	13,005	10,699	
Wheeling & Lake Erie	5,202	5,883	4,502	4,999	4,628	
Total	156,158	177,718	145,753	221,715	206,229	
Allegheny District—						
Akron, Canton & Youngstown	627	847	503	1,031	1,079	
Baltimore & Ohio	41,960	42,620	33,758	26,003	22,735	
Bessemer & Lake Erie	7,173	6,825	6,231	2,930	2,267	
Buffalo Creek & Gauley	281	301	326	5	4	
Cambria & Indiana	1,930	1,916	1,338	8	17	
Central R. R. of New Jersey	7,410	8,535	6,160	20,342	16,269	
Cornwall	658	659	651	47	59	
Cumberland & Pennsylvania	280	321	251	16	33	
Ligonier Valley	125	128	66	29	55	
Long Island	1,006	896	667	3,485	3,051	
Penn-Reading Seashore Lines	1,729	1,773	1,282	2,317	2,170	
Pennsylvania System	83,239	87,279	68,100	64,642	57,975	
Reading Co.	14,412	18,067	13,561	28,582	22,748	
Union (Pittsburgh)	21,202	19,059	19,030	7,841	6,438	
Western Maryland	4,007	4,317	3,314	13,454	8,510	
Total	186,039	193,543	155,298	170,732	143,410	
Pocahontas District—						
Chesapeake & Ohio	27,373	29,405	24,423	12,945	13,881	
Norfolk & Western	23,530	24,648	20,960	6,641	6,284	
Virginian	4,342	4,630	4,393	2,075	1,895	
Total	55,245	58,683	49,776	21,661	22,060	

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1942	1941	1940	1942	1941	1940
Southern District—						
Alabama, Tennessee & Northern	352	391	244	398	220	
Atl. & W. P.—W. R. of Ala.	608	920	711	3,041	1,890	
Atlanta, Birmingham & Coast	969	944	730	1,007	1,104	
Atlantic Coast Line	10,511	9,760	7,878	10,021	6,640	
Central of Georgia	3,768	4,635	3,665	3,927	3,899	
Charleston & Western Carolina	490	623	534	1,549	1,565	
Clinchfield	1,784	1,788	1,410	2,634	2,596	
Columbus & Greenville	383	230	187	215	349	
Durham & Southern	126	190	170	955	511	
Florida East Coast	915	498	364	1,483	839	
Gainesville Midland	46	33	25	103	110	
Georgia	1,257	1,261	1,234	2,596	2,183	
Georgia & Florida	675	604	356	455	485	
Gulf, Mobile & Ohio	4,223	3,986	2,952	4,885	3,358	
Illinois Central System	26,118	25,119	19,004	17,573	14,116	
Louisville & Nashville	25,032	25,727	21,960	11,162	8,014	
Macon, Dublin & Savannah	171	199	125	652	664	
Mississippi Central	210	240	133	675	462	
Nashville, Chattanooga & St. L.	2,841	3,352	2,808	4,441	3,246	
Norfolk Southern	1,185	1,510	1,074	1,989	1,105	
Piedmont Northern	316	492	397	1,229	1,244	
Richmond, Fred. & Potomac	431	428	344	8,764	5,790	
Seaboard Air Line	10,134	10,510	8,716	8,372	6,390	
Southern System	24,400	25,968	21,764	22,772	19,039	
Winnestee Central	529	537	474	814	779	
Winston-Salem Southbound	116	144	147	985	876	
Total	117,790	120,099	97,366	112,697	87,474	
Northwestern District—						
Chicago & North Western	21,057	23,038	20,739	13,489	12,954	
Chicago Great Western	2,296	2,812	2,668	3,128	3,114	
Chicago, Milw., St. P. & Pac.	19,186	23,005	20,179	10,258	10,345	
Chicago, St. Paul, Minn. & Omaha	3,344	4,037	3,759	3,773	4,237	
Joliet, Missabe & Iron Range	30,432	25,800	21,992	432	234	
Joliet, South Shore & Atlantic	757	1,112	817	799	576	
Elgin, Joliet & Eastern	10,015	11,087	9,363	9,939	9,935	
Ft. Dodge, Des Moines & South	521	524	534	118	151	
Great Northern	27,515	26,700	23,907	5,470	4,215	
Green Bay & Western	472	588	494	744	754	
Lake Superior & Ishpeming	2,586	2,583	3,403	62	82	
Minneapolis & St. Louis	2,288	1,936	2,081	2,203	2,192	
Minn., St. Paul & S. S. M.	7,153	7,889	6,676	3,225	3,293	
Northern Pacific	11,349	11,429	10,992	4,711	4,881	
Spokane International	204	253	342	702	394	
Spokane, Portland & Seattle	2,694	2,866	1,719	2,812	2,210	
Total	141,869	145,709	129,665	61,865	59,567	
Central Western District—						
Atch., Top. & Santa Fe System	22,680	22,526	18,230	12,003	8,279	
Alton	3,329	3,500	2,938	4,455	3,296	
Bingham & Garfield	698	645	557	100	77	
Chicago, Burlington & Quincy	18,716	17,862	14,149	11,566	10,285	
Chicago & Illinois Midland	2,480	2,760	1,909	833	1,052	
Chicago, Rock Island & Pacific	12,210	13,657	11,229	11,704	10,439	
Chicago & Eastern Illinois	2,146	2,801	2,307	4,035	3,040	
Colorado & Southern	794	830	581	1,776	1,517	
Denver & Rio Grande Western	3,710	3,398	3,243	6,285	4,197	
Denver & Salt Lake	689	655	552	12	28	
Fort Worth & Denver City	1,310	1,235	1,051	1,404	1,111	
Illinois Terminal	1,452	2,092	1,806	2,592	2,103	
Missouri-Illinois	1,355	1,073	881	410	882	
Nevada Northern	2,126	1,847	1,441	128	118	
North Western Pacific	1,217	1,263	1,073	726	654	
Peoria & Pekin Union	12	16	22	0	0	
Southern Pacific (Pacific)	31,030	31,124	25,949	10,424	7,413	
Toledo, Peoria & Western	277	440	266	1,622	1,559	
Union Pacific System	*14,300	17,303	15,012	*15,281	11,677	
Utah	592	498	403	3	5	
Western Pacific	2,429	2,083	2,048	4,328	2,850	
Total	123,552	127,634	105,707	89,687	70,592	
Southwestern District—						
Burlington-Rock Island	648	1069	149	150	202	
Gulf Coast Lines	4,206	3,069	2,853	2,194	2,035	
International-Great Northern	2,782	1,820	1,541	2,724	2,463	
Kansas, Oklahoma & Gulf	396	184	193	1,142	1,102	
Kansas City Southern	4,874	2,532	1,841	3,075	2,718	
Louisiana & Arkansas						

Items About Banks, Trust Companies

The application of the Bowery Savings Bank, New York City, for membership in the Federal Deposit Insurance Corporation has been approved, it was announced in Washington on Aug. 10 by Leo T. Crowley, Chairman of the FDIC. The Bowery Savings Bank, largest mutual savings bank in the country, had deposits of \$457,000,000 on July 1. Approval of the Bowery's application raises to seven the number of mutual savings banks in New York State that are members of the FDIC. These seven members, all in New York City, account for one-fourth of the total deposits in the State's mutual savings banks.

Dr. O. Robert Schoubye was elected to the Board of Trustees of the Bay Ridge Savings Bank of Brooklyn, N. Y., at a meeting held Aug. 11, it was announced by Robert S. Darbee, President of the bank. Dr. Schoubye, was unanimously elected and brings the membership of the Board up to 16.

The Federal Reserve Bank of New York announces that the Farmers and Merchants Bank, Spencer, N. Y., has become a member of the Federal Reserve System. This is the ninth new member bank in the New York district this year. The institution had assets of \$911,000 on June 30. Its President is Myron Fisher and its Secretary is Claude J. Tompkins.

The Board of Trustees of the Bridgeport (Conn.) Peoples Savings Bank announce the election of George C. Waldo as a Trustee. Mr. Waldo, Editor-in-Chief of the Bridgeport "Post-Telegram," was previously a Trustee of the bank, which was one of the first in Connecticut to adopt savings bank life insurance.

The defunct Commercial Trust Co., New Britain, Conn., on Aug. 10 paid, through its receiver, a 3% dividend to commercial depositors. This new dividend, amounting to about \$56,000, brings total repayments to commercial depositors to 43% since the bank closed in December, 1930. No further plans were announced to make an additional dividend payment to savings depositors, the latter according to the Hartford "Courant" having already received 85% of their principal. Outstanding claims against the closed bank, after payment of this dividend, are said to amount to \$1,350,000.

Warren A. Tyson, head of the Philadelphia investment banking firm of W. A. Tyson & Co., died on Aug. 13 in Philadelphia. He was 57 years old. Mr. Tyson had been in the investment business for 34 years and had headed his own company since 1922.

The State Bank of Hardinsburg, Hardinsburg, Ind., became a member of the Federal Reserve Bank of St. Louis on Aug. 6. The new member, organized in 1902, has a capital of \$25,000, surplus of \$10,000, and total resources of \$433,500.

The addition of the State Bank of Hardinsburg brings the total membership of the Federal Reserve Bank of St. Louis to 445. These member banks hold over 70% of the net deposits of all banking institutions in the Eighth District. This is the eighth State bank in this district to join the System since the first of the year.

Edward H. Keep, former Cashier of the Whitney Central National Bank, New Orleans, died on Aug. 9 of heart disease. He was 70 years old. Mr. Keep entered the banking business as a runner for the Old Canal Bank, serving these in various capacities, includ-

ing that of Cashier, for 15 years. Mr. Keep then entered the employ of the Whitney Central National Bank as Cashier and served for 20 years until forced to resign because of ill health.

The liquidators of the old Canal Bank and Trust Co., New Orleans, on Aug. 10 began distribution of \$2,870,833 to depositors and creditors of the bank. According to the New Orleans "Times-Picayune," the liquidators said that substantial reduction in borrowed money indebtedness accomplished since completion of the additional loan obtained Nov. 9, 1940, had made apparent sufficient equity to warrant the board of directors of the Reconstruction Finance Corporation's approval of a further advance to the liquidation.

Francis S. Baer was elected to the Board of Directors of Bank of America and made a Vice-Chairman of the board at a meeting of the bank's directors in Los Angeles on Aug. 11, according to President L. M. Giannini.

Mr. Baer will assume his new activities with the bank on Sept. 1, making his headquarters in San Francisco. He will continue as a director and officer of the Pacific Finance Corp. Starting his banking career in 1915 with the First National Bank of Pasadena, Mr. Baer later became a Vice President of the Security First National Co. In 1929 he became President of the Pacific Co. of California, and since 1934 he has served as President and director of Pacific Finance Corp. of California. He is also a director of the Blue Diamond Corp., Ltd., the Pacific Indemnity Co., and Union Oil Co. of California.

The Bank of Montreal announces that John Alexander Macaulay, K.C., of Aikins, Loftus, Aikins & Macaulay of Winnipeg, has been appointed a director.

The Midland Bank Ltd. (head office London), in its statement of accounts as of June 30, 1942, shows total assets of £730,963,356, as compared with £729,477,044 on Dec. 31, 1941 and £653,980,729 on June 30, 1941. Coin, bank notes and balances with the Bank of England are given as £79,302,052 on the latest date, against £75,553,266 and £66,888,238 on the two earlier dates; bills discounted at £57,725,081, compared with £33,461,839 and £45,542,414; Treasury deposit receipts to £130,000,000, against £159,000,000 and £103,000,000; investments to £221,172,107, compared with £206,146,013 and £177,549,048, and advances to £159,818,393, against £169,812,486 and £180,094,363. Current, deposit and other accounts are listed at £689,567,665 on June 30, compared with £687,206,091 and £613,126,117, respectively six months and a year ago. The bank's capital paid up is given as £15,158,621, the same as on the two earlier dates, and the reserve fund is also the same, £12,410,309.

Visit N. Y. S. E.

Honorable Doctor Joaquin Estada, Minister of Finance of the Republic of Bolivia, and Honorable Alberto Crespo, Minister of Economy, were guests of the New York Stock Exchange on Aug. 7. In the absence of Emil Schram, President, they were welcomed by Howland S. Davis, Executive Vice-President, and Clinton O. Mayer, Jr., Chairman of the Exchange's Inter-American Hospitality Committee.

U. S. & Mexico Adopt Currency Controls

Secretary of the Treasury Morgenthau announced on Aug. 13 that the Government of Mexico and the Government of the United States have, in cooperation, taken steps to further supplement the measures aimed at preventing the disposition within the Western Hemisphere of currency looted by the Axis. In its announcement the Treasury Department had the following to say:

"The Government of Mexico has prohibited the importation into that country of all United States currency other than bills of \$2 denomination and United States coins. At the same time all United States currency presently within Mexico has been ordered into the Bank of Mexico and associated banks. Such currency will not be released by the Mexican Government but in those cases in which persons who have turned over such currency can prove that the currency was legitimately acquired and free from Axis taint, the peso equivalent will be turned over to the person surrendering the United States currency.

"It was announced that persons failing to turn in United States currency in their possession would be treated as enemies of Mexico within the meaning of the Mexican laws dealing with trading with the enemy and enemy property.

"In order to supplement the Mexican decree the Treasury announced that on and after Aug. 14, 1942, it would be illegal to export to Mexico any United States currency other than coins and bills of \$2 denomination. Furthermore, all United States currency brought into this country from Mexico on and after Aug. 14, 1942 (except coins and bills of \$2 denomination), will be required to be surrendered to the United States Customs authorities at the border. Such currency will be turned over to the Federal Reserve Banks in accordance with the procedure established under General Ruling No. 5, as amended.

"The effect of this joint measure of the United States and Mexican Governments is to prevent use being made of Mexico as a place in which Axis agents may dispose of dollar currency looted abroad.

"Treasury spokesmen stated that the new regulations would in no way interfere with the legitimate activities of residents on either side of the United States-Mexico border who have long been accustomed to using pesos and dollar currency without distinction on both sides of the international line. The exemptions provided in both the Mexican and United States rulings will allow pesos to enter and leave the United States and American \$2 bills and coins to enter and leave Mexico freely.

"It was further said that the new regulations would not affect the free passage across the border of checks, drafts, traveler's checks and other credit instruments in the same manner as has been true up to the present time. Likewise nothing contained in the present regulations will prevent Americans from maintaining bank accounts in Mexican banks or Mexicans from maintaining accounts in banks within the United States. Such accounts, many of which now exist, will remain entirely unaffected.

"This action supersedes the previous Treasury Department ruling which had allowed any person arriving in the United States from Mexico to bring with him up to \$250 in United States currency regardless of the denomination of the bills imported.

"It was pointed out that tourists going from the United States to Mexico would be subject to no inconvenience whatsoever in connection with the new rulings, provided that before departing for

Mexico they converted such funds as they intended taking with them into traveler's checks, bank drafts or other credit instruments or into \$2 bills or coins.

"Treasury spokesmen stated that the \$2 bill had been eliminated from the restrictions imposed on the importation and exportation of other United States currency to and from Mexico by reason of the fact that very few such bills have fallen into Axis hands whereas it is known that large amounts of United States currency of other denominations have come under the control of the aggressors.

"The Treasury also announced that any person leaving the United States going through Mexico en route to any other country would be allowed to carry United States currency in any denomination having an aggregate value of \$250, plus \$250 for each accompanying dependent."

AIB Has Course For New Bank Employees

Chapters and study groups of the American Institute of Banking throughout the country are being offered a new short introductory course in banking designed for the young, inexperienced employees now coming into banks to take the places of young men departing to the military services. The course is contained in a new textbook called "An Introduction to the Study of Banking," completion of which has been announced by David E. Simms, National President of the Institute. The text contains eight chapters or lessons devoted to the following subjects:

"Starting Your Banking Career."
"What Our Banks Do."
"How We Americans Use Checks."
"How Our Banks Lend and Invest Money."
"Our Banks and the Public."
"You and Your Bank."
"How Our Banking System Grew."
"How Our Banks Are Regulated and Supervised."

It is written in simple, direct language and is well illustrated and is designed to give the inexperienced newcomers a brief overview picture of why banks are, what they do, and how they do it. In addition, it is intended to serve as a preliminary to the Institute's course, "Bank Organization and Operation." It is contemplated that the course will occupy a minimum of eight classroom sessions of one and one-half hours each, or a total of twelve hours of classroom work. In making the announcement, Mr. Simms states: "During the past year there has been a widespread demand for an introductory banking course which would meet the needs of the young and inexperienced employees who have come into the banks in large numbers and who are entirely unprepared for the study of bank organization and operation. As a result, the Institute has undertaken to provide a short course which will serve to orient these new employees in the banking field."

The textbook will be available in September to all chapters and banks. The price will be \$1.50.

Niles Presidential Aide

The White House announced on Aug. 1 that President Roosevelt has appointed David K. Niles, of Boston, now employed by the War Production Board, to be one of his administrative assistants. It is stated that Mr. Niles is the fourth administrative assistant to be named to one of the \$10,000-a-year posts authorized by Congress.

The others are Lowell Mellett, Laughlin Currie and William H. McReynolds.

At the WPB, Mr. Niles served as assistant to Wendell Lund, head of the Labor Production Division.

From Washington

(Continued from First Page)

Republican Senatorial campaign which apparently is taking on considerable heat and which is attracting fairly national interest because of the distinction of one of the leading candidates, Albert W. Hawkes, who served last year as President of the United States Chamber of Commerce. A man long eminent in national and international affairs you would think that in these days and times, with men dying on the battlefronts, with Congress being steadily shoved out of the scene, that a man of Hawkes' calibre would at least be given the nomination on a silver platter. But no, he is being opposed by the so-called Arthur Vanderbilt machine. Vanderbilt's explanation is that frankly, he thinks Gill Robb Wilson, a World War hero, who has worked at it pretty much ever since, a sometime preacher, a spellbinder, can out-demagogue the Democratic incumbent Smathers. Of what avail would it be to the people if he did, why make a switch at all? There are some three other candidates in the race but the fight is looked upon as being between Hawkes and Wilson.

Vanderbilt very likely has another motive in opposing Hawkes, because most political prognosticators believe that Hawkes would get the support of some 50,000 Democrats in the general election.

It's a downright pity, with this country being in the fix it is, that such thinking as that of Vanderbilt's would have a chance of prevailing. Yet Hawkes is admittedly up against a hard fight. His problem, of course, is to get out a heavy Republican vote in which case the machine vote would be lost. This can be done if the computer vote turns out.

Several years ago another man of Hawkes' eminence decided to take the dirt that goes with politics and run for the Senate. In this instance, that of Dwight W. Morrow's campaign, the decent people were aroused and put him over. Unfortunately for the country as a whole he died before he had gotten his Senate seat fairly warmed.

Hawkes' greatest appeal apparently, as so far demonstrated, is with the women voters. He seems to impress them with his sincerity. Notwithstanding that he has been in business all of his life, he conducts an effective campaign. He is lanky, stoop shouldered; bears a strong resemblance to Lincoln. In fact, he talks in the same homely fashion as Lincoln, uses a lot of Lincoln phrases. He has a great knack of bringing contentious forces together. In the year he served as President of the U. S. Chamber of Commerce he traveled pretty much over the country addressing labor groups and he accomplished a lot in ironing out differences, misunderstanding and in general, working to bring about unity. Incidentally, he has any number of staunch friends among the labor leaders. Undoubtedly he would fare handsomely with the labor vote in the general election, but it doesn't have any appreciable influence in New Jersey's Republican primary.

In this, his job is to overturn the Vanderbilt machine, which the machine is afraid he may do.

Anyway, it is a campaign worth watching. Many of Hawkes' friends tried to dissuade him from running, or as they put it, joining in the filth of politics. His contention was that he was tired of hearing his friends saying the country was headed for the dogs without their being willing to try to do something about it.

It will be interesting to see whether the people have become so utterly numb that they are only casually interested in the personnel of their Government.