Final Edition

THURSDAY

In 2 Sections – Section 2

FINANCIAL The COMMERCIAL CHRONICLE

Reg. U. S. Pat. Office

Volume 156 Number 4110 New York, N. Y., Thursday, September 24, 1942 Price 60 Cents a Copy

Anti-Inflation Bills Fail Purpose And Create Vicious Circle, Says NAM Head

Anti-inflation bills pending before Congress would fail to keep down the cost of living because they create "a vicious circle of wage increases and invite inflation to stick a very large foot inside the door," William P. Witherow, President of the National Association of Manufacturers, said on Sept. 22.

Speaking on "Industry and the War" at the annual convention of the Controller's Institute of America in Chicago, Mr. Witherow described the Steagall Bill, pending before the House, as "obviously inflationary."

The Association President, who is also President of the Blaw-Knox Co. of Pittsburgh, told his listeners the Brown-Wagner Bill, awaiting action before the Senate, "though more realistic, is a step-child of the so-called 'Little Steel formula,' insofar as its wage stabilization provisions are concerned."

The Senate bill, Mr. Witherow said, "in seeking to stabilize wages at approximately the present levels, gives the President authority to adjust sub-standard wages and to eliminate what is called 'gross inequities.' But it does not seek to define either sub-standard wages or 'gross inequities.' The result," added Mr. Witherow, "is that it allows complete flexibility for increasing any wages that might be called either sub-standard or inequitable." He went on to say:

"Standards for wages, in some instances, are based on the prevailing wage in a given industry. In other instances, they are based on the prevailing wages in a given locality. Thus, there is no acknowledged basis for determining sub-standard wages.

"In addition, we must recognize that when wages are advanced in a so-called sub-standard industry, the advance may make wages in other industries seem sub-standard. Then, to be strictly fair and logical, something must be done about these newly-created sub-standard wages.

"This creates a vicious circle of wage increases and invites inflation to stick a very large foot inside the door.

"Much the same reasoning applies to so-called inequitable wages. If wage increases are

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FROM WASHINGTON AHEAD OF THE NEWS

By CARLISLE BARGERON

Notwithstanding the light vote in the primaries which have been held this year—on the face, an indication that the voters were either too disgusted or too disinterested to come out—there is considerable comfort for the Republicans. It should be borne in mind that the New Deal aroused a vote which had not existed before. It got out a mass of discontented people who exercised their franchise for the first time. Their attitude was that here was a man who was going to give them something—and they wanted something. So they voted for him.

But now they've got what they wanted. After prolonged years of unemployment they are working in war industries at $100 or more a week. They aren't a people likely to be concerned in the consequences, to realize that it won't last, that it is unquestionably a war-made situation. All they know is that they are making good money.

There are rather definite indications that, having attained this estate, they have lapsed back into their former disinterested attitude about politics. In other words, having got theirs, then why should they be fooling with politics and politicians. They are a people who never took any interest in politics and politicians in the first place. They were aroused by the depression. But that's over, insofar as they can see it. Their disposition seems to be now that all politicians are alike and, sitting pretty themselves, they might as well let things rest.

Then there is this additional comfort for the Republicans: Those workers who are still thinking in terms of politics and politicians are thinking that now they are subject to the income tax. There is no underprivileged vote any more. The bunk about the Forgotten Man is futile when the Forgotten Man is making $100 a week. The Forgotten Man is now inclined to be a conservative. The Forgotten Man is beginning to worry or be concerned about taxes, rationings and, above all, about the regimentation of labor which he is frequently hearing about. On the latter, this writer knows that any number of labor leaders are worried about it and

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American Bankers Association "Convention In Print" Edition

Section 1 of today's issue of the "Chronicle" is largely devoted to the American Bankers Association "Convention In Print." The Association, in cooperation with the Office of Defense Transportation, this year canceled its annual convention, which usually covered a period of five days and was widely attended by bankers and bond men from all parts of the country. Many of the articles which were prepared for the "Convention In Print" are given in Section 1 of today's issue and can be readily found by referring to the appropriate index which appears on the cover page of that section.

GENERAL CONTENTS

Editorial

ABA "Convention In Print" Editorial Material appears in Section 1 of today's issue, as explained in the notice given on this page.

THE FINANCIAL SITUATION

These are days of shortages and forecasts of far more acute shortages to come; of fevered cries for vastly larger production of a wide variety of goods; of forebodings of higher prices arising out of unbalanced supply and demand in the consumers goods markets; of demands for all manner of controls, and pleas for self-imposed sacrifice on the part of the rank and file; of solemn assurances that we must submit to some labor czar with power to shuffle the elements of our manpower (of which there is likewise a shortage) about as the exigencies of the occasion appear to warrant; of plans for a military force of 10,000,000 men in the not very distant future and of more of the same sort.

Forty-Hour Week An Anomaly

Yet the anomalous fact stands clear for all to observe that the average American wage earner is today enjoying a work-week nearly, if not quite, six hours shorter than in 1929 when politicians and reformers alike were congratulating themselves and the country upon the comparatively short work-week that industrial productivity and socially minded public servants had made possible—and nearly as much shorter than the work-week which the Administration itself has proclaimed the most productive! The average work week in 25 leading industries in the United States in July was, according to the National Industrial Conference Board, just a little over 42.5 hours. The Administration has said that the most productive week is 48 hours. Let us assume that there are 40,000,000 men and women employed in industry and trade (excluding agriculture) in the United States today. Such a figure would certainly not be too high. Now let us suppose that all these men and women were put to work for an average of 48 hours per week.

Large Gains

The gain would be approximately 220,000,000 man-hours per week, or the equivalent of an addition of upwards of 5,000,000 men to our labor force working the same number of hours per week as those now prevailing. It is doubtful if American industry has added more men than that to its payrolls since the invasion of the Low Countries in 1940! Unless there is some insuperable obstacle to a man's working as he did in 1929 and as the Administration believes would be most effective now, we are not nearly so

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Wanted:
Only Certain Assurances

It is my considered opinion that we are going to have to cut farther and more deeply into our civilian economy than even the British themselves have done yet—with the single exception of food.

We are going to have enough to eat throughout this war and we probably will not have to put any very drastic limitations on our range of choice in that regard, but in almost every other respect we are going to have to be ready to do without—and do without—and do without—until this war has been won.

We have been living on our fat so far in this war. Believe me, we aren't going to have an ounce of fat left in another year. We'll be down to bone and muscle, because we have to get down to bones and muscle in order to win.—Donald M. Nelson.

The American people should by now be prepared for this "drying-out" process. They have been warned often enough.

All they ask is assurance that:

(1) These sacrifices are really necessary, and

(2) What they give up will be used with the greatest possible effectiveness to win this war.

THE FINANCIAL SITUATION

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short of man-power as we have been led to believe. And since with this added man-power we should be able to produce much more of many things, we can hardly be as potentially short of a substantial number of articles as we have been supposing.

Larger Production Possible

Of course, there are a number of so-called critical war materials which are in short supply by reason of the fact that they are not man-made and do not occur in adequate quantities within our borders or within the boundaries of other countries allied with us. Others are scarce, or relatively so, because adequate facilities for their production are not in existence. Still others are not abundant, in some sections of the country at least, by reason of inadequate transportation facilities. But when all such factors are taken fully into account, the fact remains that a great many articles, particularly perhaps ordinary peace time goods, are in scant supply or are likely soon to be simply because we can not produce them without more man-hours of labor than we are now employing. Here is a fact which all of us are much disposed to overlook. In very appreciable degree we could have a more abundant supply of the things we want than it now appears likely that we shall have—to say nothing of greater production of war goods—if only we work harder and longer for them.

It is pertinent to inquire, therefore, why it is that we have not returned to former very reasonable standards of work, or adopted those which the humanitarians in Washington tell us are quite reasonable and most effective. We not only have not done so, but show no indications of doing so in the early future. The trend in that direction which had been in evidence came to a halt early in the year. Since that time the situation has remained essentially unchanged.

The Forty-Hour Week Law

We have been repeatedly told that the 40-hour week law has nothing to do with it; that there is nothing whatever in that statute to prevent a 48-hour week or a week of any other length. The argument is, however, far from convincing. It is true of course that a longer work week is permitted—if paid for at punitive rates. That other argument that the Government is ready to stand the added expense of the punitive rates so far as war contracts are concerned—is equally ineffective when applied to the economy as a whole. It could be conceded that the law does not stand in the way of war production without in any way altering the fact that it must inevitably impede full production of goods for the civilian population, or as nearly full production as other circumstances permit. After all, with all our devotion to war production, the needs of civil population bulks large, and must bulk large, in the activity of American industry. The fact is also in the existing situation lack of full utilization of the labor force in nonwar production tends to shorten the supply of labor available for war production. In Mr. Henderson's scheme of price control there is no provision for punitive wage costs.

Every one knows, of course, that the 40-hour week is not wholly a matter of law. There are many instances where the work-week is fixed in union contracts, and would be so fixed had there been no law on the subject, although there are other contracts of a similar nature which would not today exist were it not for the law. In some instances union members are not permitted to work more than forty hours per week on the average. Punitive rates provided in some contracts, moreover, are far more severe than is required by law. Quite apart from labor contracts and the like there are, too, other impediments to full and regular employment at maximum hours. Conversion of some industries and virtual closing of others; the unsettling conditions generally existing; lack of smooth functioning of the over-all management of the war production effort and a number of related factors unquestionably enter the picture. But the short work-week, whatever its origin, tends to restrict production both of war and peace-time goods, and since it does limit production, every effort should be directed to its elimination. Surely it should not be impossible in a reasonable period of time to have our labor force working as long each week as it did in 1929.

Wage Costs and Prices

If it is out of the question for political or any other reason to suspend the 40-hour week wherever it is observed, then it is obviously needful to permit prices to rise sufficiently to cover the cost of punitive wage rates which are unavoidable if we are to obtain full production from the labor force. It is difficult to conceive of any one not steeped in prejudice against anything in the nature of an increase in prices supposing that the advantages to be had from larger production would not far more than offset any disadvantage derived from such a rise in prices. Obviously, we must choose between such restrictions on production as the 40-hour week imposes and higher prices to cover the costs of a longer week with punitive rates for all time over 40 hours—so long as for any reason it is not feasible to abolish punitive over-time wage rates. The best remedy for rising prices in war as well as in peace, so far as it is possible to apply it, is increased production. That we can not have in full measure unless we permit ourselves to work in the most effective manner possible.

It seems strange that in all our anxiety about prices and all our desire for large war production such considerations as these obtain so little attention.

Editorial—

Freezing Wages

On the surface it might seem very simple to stop a rise in the price level by merely freezing wages. However, it should be borne in mind that if an employer is prohibited from raising wages, individual employees will seek employment elsewhere unless all employers are also forbidden to pay any new employees taken on more than they received in their last jobs.

It is obvious that if this were not done, not only would a wage ceiling be wholly ineffective in achieving its objective but it would raise havoc with business because of the extent to which the present unusually high labor turnover would be accelerated.

But if workers are frozen in their jobs how will our war industries get their supply of labor? Will it be a case of "forced labor"? And what of the multitude of other ill effects that would ensue? So. . . . wage freezing is not the simple solution to the problem in question as would seem to be the case when only considered superficially.

The sensible thing to do is to concentrate on the fundamental causes that are making for higher prices and remove them wherever possible. (And this doesn't mean draining the life blood—profits—out of trade and industry by excessive taxation, for we must not forget that a healthy internal economy will contribute in an abundant way to bring the war to a successful and early conclusion. An anemic internal economy will have the opposite effect.) Some phases of this subject are discussed in the "Financial Situation" article in this issue of the "Chronicle." Another primary cause of the wage and price spiral today is the activities of organized labor in demanding higher and higher wages. If "politics as usual" is put aside, this is one major cause that can be readily removed. If wages were again left to management and the individual employee to work out, it would stimulate production in a marked way, we are sure.

Jeffers Given Full Control Over Rubber

President Roosevelt on Sept. 17 signed an executive order delegating to William M. Jeffers, Rubber Director, full authority and control over the nation's rubber program in order to assure an adequate supply for war and essential civilian needs. The order gives the power to the Chairman of the War Production Board, Donald M. Nelson, but further states that the Rubber Director, appointed by and responsible to Mr. Nelson, shall administer the rubber program, in all of its phases, including, but not limited to: Technical research and development, importation, purchase, sale, acquisition, storage, transportation, provision of facilities, conservation, production, manufacture, processing, marketing, distribution and use of natural and synthetic rubber, related materials, and products manufactured therefrom.

Mr. Jeffers, who is President of the Union Pacific Railroad, was named by Mr. Nelson on Sept. 15 to carry out the recommendations made by the President's special Rubber Survey Committee; this was mentioned in our issue of Sept. 17, page 983.

The President's order of Sept. 17 empowers Mr. Jeffers to direct the Rubber Reserve Company and other subsidiaries of the RFC, the Office of Petroleum Coordinator for War, the Board of Economic Warfare, Office of Price Administration, Department of Agriculture, and other agencies to execute such aspects of the rubber program as he deems necessary.

The Petroleum Coordinator is to conduct development research in the production of butadiene from petroleum and natural gas products and recommend new production methods, and is also authorized to supervise, upon completion of construction, the operation of plants producing synthetic rubber, raw materials made from petroleum and natural gas products.

The Rubber Reserve Co. is to supervise the construction of all plants under the rubber program according to the order.

Mr. Jeffers said on Sept. 18 that the necessary steps to conserve the nation's rubber supply will begin operating soon. He conferred in New York City on Sept. 18 with Bernard M. Baruch, head of the President's Rubber Survey Committee, on the general aspects of the rubber program.

The Baruch Committee's report called for a nation-wide rationing program for gasoline and tire mileage; an expanded synthetic rubber program; national speed limit and compulsory periodic tire inspections. These recommendations were referred to in these columns Sept. 17, page 985.

WPB Eases Regulation For Buildings Work

The War Production Board on Sept. 15 granted permission to operators of industrial plants, office buildings, apartment houses, hotels and other substantial buildings to apply for blanket authorization to cover miscellaneous construction work over a period not to exceed six months. It was indicated that this makes it possible for both the operators and WPB to avoid handling numerous applications for construction jobs which are necessary in larger buildings, but which, under the former plan, had to receive individual authorization when the cost for all such work reached the limits set in the stop-construction Order L-41. Advices from Washington Sept. 15 to the New York "Journal of Commerce" added:

Under the new plan all routine individual construction jobs, except those estimated to cost more than $5,000, may be included in applications for blanket authorization. In cases where authorization is granted, the applicant must file within two weeks after the expiration of each period of the term of the authorization a report covering the work done, its costs and the materials consumed. Form PD-200 should be used for all such applications and reports.

In making the report on the work done, the applicant must mark it "report on blanket construction" and include with it a letter indicating the serial number and date on which the application was approved.

The application covering miscellaneous jobs should, if possible, set forth the proposed construction work within the stated period of time in terms of jobs, dollars and quantities of material. A separate application must be submitted for each separate building or project.

Where it is impossible for the applicant to forecast the proposed jobs accurately, an application of a more general nature will be considered. However, the total cost of the proposed construction and a preliminary materials list must be included.

Authorized to Ration Meat

Authority to ration meat to consumers and to control the distribution of meat from slaughterhouse to consumer has been delegated to the Office of Price Administration by the War Production Board's Director General for Operations.

This authorization, contained in Supplementary Directive 1-M, is, however, subject to the broad allocation of meat by the Chairman of the Foods Requirements Committee for domestic use, the armed services and other Government agencies, export and stockpiling, it was explained.

Because it will be some time before OPA is ready to ration meat at the consumer level, the directive contains a special authorization which will permit OPA to issue an order controlling the general distribution of meat in a manner similar to the control exercised by WPB "M" orders. Issuance of such an order by OPA will be announced shortly.

The authority contained in the directive covers virtually all types of meat and meat products except poultry and game, but does not include lard, nor does it include slaughterhouse by-products unfit for human consumption.

It is not expected that the OPA will institute its meat rationing program before Jan. 1, but some system of quotas for sales of meats by packers to civilian markets will probably be established shortly. The Food Requirements Committee recommended that both these moves be taken in order to provide fair distribution among civilians; this was reported in these columns of Sept. 10, page 894.

The State Of Trade

Business activity showed setbacks in a number of quarters during the week ended Sept. 12, reflecting the Labor Day holiday.

Production of electricity in the week ended Sept. 12 dropped to 3,570,919,000 kilowatt-hours from 3,672,921,000 in the preceding week, the Edison Electric Institute announced recently. This compares with 3,322,346,000 in the 1941 week, which did not include the holiday. Output in the two weeks ended Sept. 12 was 12.2% above that in the two comparable 1941 weeks.

As usual, the largest gains were shown for the Pacific Coast and the Southern States, which reported increases of 28 and 12.9%, respectively, over the year-ago weeks.

Carloadings of revenue freight for the week ended Sept. 12 totaled 814,885 cars, according to reports filed by the railroads with the Association of American Railroads. This was a decrease of 73,075 cars below the preceding week this year, 99,771 cars fewer than the corresponding week in 1941 and 10,620 cars above the same period two years ago.

This total was 127.97% of average loading for the corresponding week of the 10 preceding years.

Steel operations for the current week were estimated by the American Iron & Steel Institute at 96.2% of capacity as compared with 97.2% last week, a decrease of 1%. This week's indicated production will amount to 1,645,700 net tons as against 1,662,800 last week, 1,664,500 tons a month ago and 1,599,300 tons a year ago, when the rate was 96.8% of capacity at that time.

The 17,000-ton drop in activity this week was attributed to a shortage of scrap metal in some producing districts together with several suspensions of furnace operations for repairs.

Department store sales on a country-wide basis last week were 3% below the corresponding week a year ago, the Federal Reserve Board estimated.

In the previous week sales were 26% higher than in the same 1941 week, while during the four weeks ended Sept. 12 sales were 1% above the similar 1941 period.

The fall upturn in retail sales during the last week carried dollar volume above the comparable period of 1941, Dun & Bradstreet, Inc., stated in the weekly trade review.

While warm weather tended to slow the seasonal upturn in many sections, sharp gains in pay rolls and cash from newly harvested crops supported a strong buying movement.

Retailers noted that prospects of higher taxes apparently were not inducing consumers to curtail spending. The tendency, rather, was toward liberal buying, with trading up into medium better price brackets quite general.

The agency reported that fall apparel held the sales spotlight, while house furnishings picked up and scattered reports indicated unusually early interest to gift buying for men in the armed services overseas.

The Association of American Railroads estimated that operating revenues of class I railroads during August were 36.3% greater than in August last year.

This was based on preliminary reports of August revenues of $548,264,202 for 89 railroads, representing 81.5% of total mileage, which compared with August, 1941, revenues of $402,267,250.

August freight revenues were estimated at $431,596,457, an increase of 29.6% over a year ago, and passenger revenues were placed at $80,847,454, an increase of 96.6%.

The United States is spending for the war effort this month at a rate of more than $200,000,000 each business day. Should this pace be maintained, September will be the first month, based on Treasury figures, to top the $5,000,000,000 mark. August was only a little short of this total, having an outgo of $4,882,000,000, but if Reconstruction Finance Corporation expenditures were aadded to the Treasury disbursements, the outlay would have been $5,182,000,000.

High as these figures appear, they are not enough to win the war. President Roosevelt insists that American production is still little better than half its potential output. Donald M. Nelson, War Production Board chief, holds that even though war production has increased 350% since the Japanese attack on Pearl Harbor, it is "not good enough."

General William S. Knudsen declared that by the end of the year war goods to the volume of $7,000,000,000 monthly will be coming off the nation's assembly lines.

President Roosevelt said that this country's production for war is greatly below that of both Great Britain and the Soviet Union in comparison with their resources. Russia's figures are not known publicly, but recent information on Britain's war costs shows that nation currently spending $49,000,000 daily, or about one-fourth of the American outgo.

Tax Bill Inadequate Declares Morgenthau

Secretary of the Treasury Morgenthau declared on Sept. 17 that the tax bill as approved by Senate Finance Committee is "wholly inadequate" from a revenue standpoint and as "a deterrent on spending and an incentive to save." The Secretary told his press conference that the pending bill would raise Federal revenues to only $24,000,000,000, as against a minimum of $30,000,000,000 urged by the Treasury. Mr. Morgenthau said that the Treasury will continue to urge Congress to take action on these matters. He also expressed disappointment over the Senate Finance Committee's failure to close important "loopholes" in the tax structure, mentioning specifically depletion allowances for mining and oil industries, mandatory joint returns for husband and wife, and the taxation of the income from State and municipal securities. Mr. Morgenthau, likewise, pointed out that the Committee's bill fails to provide for restrictions on individual spending, and he is quoted as saying:

"There has just got to be more revenue. We here feel there will have to be enacted into the law some kind of legislation on spending and an incentive to saving."

The completion of the tax bill by the Senate Committee was noted in our issue of Sept. 17, page 969.

Pittsburgh Newspapers Increase Prices

Pittsburgh's three newspapers recently raised the price of their daily and Sunday papers because of higher costs of operations.

The Post-Gazette, the city's only morning newspaper, and The Pittsburgh Press and The Sun-Telegraph, evening papers, have increased their prices from 3 to 4 cents.

The Sunday editions of the Press and Sun-Telegraph were raised from 10 cents to 12 cents.

The increases are necessary, the publishers announced, because war conditions have reduced advertising revenues while the costs of operation and materials have increased.

Post War Planning At Home and Abroad Must Rest On Solvency Says Dr. Cadman

Pointing out that "the attempt to allocate war materials is featured in many of the international post-war plans," Dr. Paul F. Cadman observed on Sept. 22 that "it is a worthy and challenging effort, but if every nation with any industrial capacity were assured an adequate supply of raw materials there might still be the effort to protect high-cost manufactures by political devices and to follow the old procedures which led to unfair and costly competition." Dr. Cadman, Economist of the American Bankers' Association, spoke thus before the Controllers' Institute of America at Chicago. In his further remarks he noted that "few of us are able to comprehend the full meaning of the tragedy which has overtaken Europe. Devastation, starvation, bankruptcy, on so vast a scale, have never before been the lot of civilized people." "There is every reason to hope," he added, "that courageous, far-seeing and unselfish statesmanship will be applied to international collective security, and we must do our share." He likewise said, "if we are wise we will not attempt the impossible; we will not raise hopes among the tragic victims of war which can not be fulfilled. When planning takes us into flights of Utopian fancy, it can be more destructive than helpful."

With respect to the war debt, Dr. Cadman said:

There are some essentials which should not be forgotten. The United States Treasury is not inexhaustible; credit cannot be expanded indefinitely; production and construction cannot be expanded effectively without capital. Our efforts at home and abroad must rest squarely upon the principle of solvency. We shall be poor instruments of salvation if we are bankrupt.

The servicing of the vast war debt which is now being created can be accomplished only by production. But that production must be on a solvent basis. It must be profitable production; otherwise there will be nothing to tax. Socially, it is of the utmost importance that there be no default of this debt, for the bulk of it will be held by individuals of small means who have made a real sacrifice to accumulate savings and lend them to the Government.

Dr. Cadman added that "there is no need to dwell on the tragedy which has overtaken civilization. But the actualities of war may shut out the vision of what the near-term opportunity may be. Reconstruction alone could engage all our energies for a decade." He also said:

The so-called enterprise system is daily demonstrating its immense productive capacity. If we are wise we will follow through to the day when the trends of war will be reversed and construction takes precedence over destruction. Economic planning holds immense promise, provided we can give it the direction which keeps it geared to economic fundamentals which are the product of experience.

Senate Finance Committee Votes Limit On Individual Tax; Ends Notarizing Rule

The Senate Finance Committee on Sept. 21 amended its tax bill by limiting the amount of Federal income and victory taxes which can be collected from an individual to a maximum of 90% of net taxable income. It was said that this change would affect only those with incomes of about $1,000,000 annually, because the combined rate of income and victory taxes would not exceed 90% for those in lower brackets. Colin F. Stam, head of the Congressional tax staff, who recommended the change, said the limitation was necessary because certain State taxes are not deductible from income which will be subject to the 5% gross income "victory tax" contained in the Senate bill. The resulting loss of revenue, he said, will be "practically nothing" since only a very few rich persons otherwise would be required to pay more than 90% of income subject to tax.

The Committee also voted on Sept. 21 to eliminate the requirement that Federal income tax returns be notarized. Acting at the Treasury's suggestion, it was explained that about 43,000,000 persons will be required to file Federal tax returns and that perjury statutes would cover persons who make false statements in their tax returns even though the signatures are not notarized.

Several minor changes adopted by the Committee included the following, according to the Associated Press:

It voted to permit the tax-free importation of denatured alcohol, most of which comes from Cuba.

It acted to raise the stamp tax on premiums paid in this country on foreign insurance policies from 4 to 8 cents.

Corporations which were prevented from paying dividends by State or Federal laws because of operating deficits would be excused from the payment of undistributed profits taxes under an amendment adopted and made retroactive to cover the years since the latter tax was enacted in 1936.

The committee voted to take claw or "digger" amusement machines out of the $100 a year tax class for gambling devices and tax them at only $10 yearly.

It moved to delay application of a new House-approved provision on non-business bad debts until Jan. 1, 1943, instead of making it applicable to 1942 taxes. Under terms of this provision, bad debts of this nature could be charged off only as a capital loss.

Chairman George (Dem., Ga.) of the Senate Finance Committee said on Sept. 18 that the Treasury estimates of the total yield of the new tax bill was $1,000,000,000 too low. The Treasury placed the net yield of the bill at $6,851,700,000. Senator George also charged the Treasury with being a year late in submitting a plan for compulsory savings.

Secretary Morgenthau's remarks urging legislation as "a deterrent on spending and an incentive to saving" are referred to elsewhere in today's columns. Previous reference to the Senate Committee's action appeared in our issue of Sept. 17, page 969.

Taylor Returns To Vatican

Myron C. Taylor, President Roosevelt's personal representative to the Vatican, has returned to his post and resumed his special mission. Mr. Taylor was reported to have arrived in Rome on Sept. 17 and had an audience with Pope Pius XII on Sept. 18. He had been away from Vatican City for reason of health for nearly a year, and it was while he was recuperating in this country that Italy declared war on the United States. During Mr. Taylor's absence from his post, his assistant, Harold H. Tittman, Jr., maintained contact with the Vatican.

Secretary of State Cordell Hull announced in Washington on Sept. 17 that Mr. Taylor was resuming his mission and would remain there for a limited time.

Controllers Institute Elects McCobb Pres.

T. C. McCobb, Controller and Director of the Standard Oil Company (New Jersey), was elected President of the Controllers Institute of America at that group's annual national convention, now in progress at the Palmer House, Chicago. Mr. McCobb, who succeeds John A. Donaldson, Vice-President and Treasurer of Butler Bros., Inc., Chicago, has been affiliated with the Standard Oil unit since 1928, and has been its Controller since 1933. He has been a Director of the Institute since 1939.

T. C. McCobb

Five Vice-Presidents were chosen at the meeting, which took place yesterday. One, C. C. Gibson, Treasurer of the Paraffine Companies, Inc., San Francisco, was reelected. The four new incumbents are: Edwin W. Burbott, Controller and Assistant Secretary of the A. B. Dick Company, Chicago; George R. Drysdale, Secretary and Comptroller of the Phelps Dodge Corp., New York; Lloyd D. McDonald, Vice-President of the Warner & Swasey Company, Cleveland; and John C. Naylor, Vice-President and Comptroller of the Pet Milk Company, St. Louis.

O. W. Brewer, Auditor of the American Gas Association, and L. W. Jaeger, Treasurer, Secretary and Director of the Colonial Optical Co., Inc., both of New York, were reelected Treasurer and Assistant Treasurer, respectively. Arthur R. Tucker, also of New York, was reelected Secretary-Comptroller and Managing Director of the organization.

The following Directors also were chosen: Cicil W. Borton, Assistant Vice-President of the Irving Trust Company, New York; John E. Hearst, Comptroller of the S. S. Kresge Company, Detroit; William R. Little, Comptroller of the Evening Star Newspaper Co., Washington, D. C.; and J. J. Russell, Secretary and Treasurer of Revere Copper and Brass, Inc., New York; Robert Meyer, Assistant Treasurer of the Wright Aeronautical Corp., Paterson, N. J., and William F. Sigg, Traveling Auditor of the American Oerlikon Gazda Corp., Providence, were elected Auditors.

NY Reserve Bank Expands

Allan Sproul, President of the Federal Reserve Bank of New York, announced on Sept. 18 that because of expanding wartime activities the Reserve Bank has leased the first four floors of the office building at 51 Pine Street. The War Savings Bond Department, which the bank operates as fiscal agent for the Treasury, will occupy the new quarters. About 140 employees are affected by the move, which took place over the week-end.

In explaining the bank's expanded activities, Mr. Sproul said that the personnel of the bank now totals 3,418, as against 2,900 at the start of the year. Five years ago the bank had 2,100 employees.

The Reserve Bank's activities are now spread over four buildings in the financial district. Several months ago the Foreign Property Control Department of the bank was moved to 70 Pine Street and the bank's annex at 95 Maiden Lane has been maintained for several years, chiefly to house the bank's files.

Higher Income Seen In 1943 With Lower Sales And Intensified Restriction Of Industry

A. W. Zelomek, speaking before the Controllers Institute of America in Chicago on Sept. 21, as to what business may expect in 1943, stated that "there are two types of developments in the domestic economy. There are those due purely to war, which will vanish with the war. There are others due only partly to war, but which will become a permanent part of our economic and social structure." Mr. Zelomek, who is identified with the International Statistical Bureau, Inc., and Fairchild Publications, went on to say:

Taking up the first classification briefly, the logical factor to commence with is inflation. The danger of excessively rapid advances in commodity prices is greater in the post-war period than it is in the remainder of the war. While the supply of consumers' goods carried over from 1941 and 1940 seems to have been greater than estimated, this does not mean that the supply will continue to be reasonaly in line with demand. On the contrary, there will be a widening differential between purchasing power and available supplies in 1943. But in 1943 the systems of controls necessary to prevent unrestricted bidding for available goods will be much stronger. I regret that post-war thinking does not include a continuation of ceilings, as a protection against inflation, until post-war supply and demand are stabilized.

In the view of Mr. Zelomek "the advance in industrial production will not level off before mid-1943, although the rate of advance already has slowed up. There will be a further great shift, however," he said, "as between war and civilian production. Eventually the factors limiting total production will also involve power and labor supply, as well as transportation facilities. Nineteen forty-three will be the year in which restrictions on civilian production necessary to clear the way for this last stage of expansion in war production will reach their peak." Continuing Mr. Zelomek said in part:

Income in 1943 will be higher, sales will be lower. The decline in sales will not be due to the effects of higher taxes but to the smaller supply of goods and to the Government controls that will be set up to regulate distribution.

The labor supply situation will be in a crisis stage by next Fall, if not before. Complete manpower regimentation, including job freezing, will probably be unavoidable some time in 1943. I doubt very much that this can be accomplished before we have a unified military command. The Selective Service muddle which exists at present will be straightened out by enunciation of a definite national policy with regard to classification. Before 1943 is out, all manpower may be put on a Selective Service basis, for war work as well as military service.

All forms of industry restrictions will be intensified. The most important new development will be concentration of industry—based not only on raw material shortages, but also on considerations of labor, power and transportation. This will be accompanied by limitations of cross hauling, which may cause widespread decentralization of some types of consumers' goods industries. Inventory controls will affect all retailers and manufacturers within a short time, and the list of rationed items will begin to increase more rapidly.

The Government and its agencies will be much tougher about the war effort from now on, which means many reorganizations among Government agencies within the next three months. It means the establishment of several vertical administrations, similar to that established for rubber, to deal with critical problems.

Govt. Statistical Requirements Stressed At Meeting Of Controllers Institute

The conviction that "statistics are going to play a very important part in determining the outcome of the war" was expressed on Sept. 21 by E. Chester Peet, Controller of the Shell Oil Co. of New York, before the Controllers Institute of America at Chicago. Mr. Peet, as is known, represents The Institute on the WPB Industry Committee for Report Simplification and Standardization. Stating that "I don't think that we as controllers have as yet done our part in assisting the Government in determining its needs," Mr. Peet said "I think we will have to play a much more active part in the future." He declared that "victory or defeat hinges upon the outcome of the production program and upon the best utilization of manpower," and said:

"Washington must tell us what we can or cannot manufacture in our plants. To do this requires intimate knowledge of the facts and figures pertaining to our business. For this reason, as the war develops, industry can expect more data requests. Therefore we must change our thinking, so that we no longer consider the preparation of Government reports as a by-product operation of our office. They are here to stay for the duration, and we controllers should gauge our staff requirements accordingly."

Advising the Controllers that "if you are unable to prepare all of the information required by the Government and at the same time take care of your own company's statistical requirements," Mr. Peet said:

"I suggest that you eliminate all reports, statements and the like which are desirable but not essential to the conduct of the business. In other words, I suggest that you classify your activities in this order:

"1. The basic accounting records which must be maintained if your company is to stay in business—control of cash, accounts receivable and payable, balance sheets, profit and loss statements, tax returns, etc.

"2. Government reports.

"3. General statistical reports, such as cost statements, sales segregations and other reports normally considered essential for proper control of costs and operation."

Mr. Peet added:

"The men in Washington are quite willing to work with us and are greatly appreciative of any assistance that we can render. It is true that much useless information has been compiled in the past, but they don't want this information any more than we care to make it up. By working together and pooling our intimate knowledge of the practices of our industry with their knowledge of what is required to make the most effective use of our production and manpower, we not only will help ourselves but we also will contribute in a substantial way to victory.

"While I think this objective can be accomplished to a considerable degree without any change in the present WPB office of Survey Standards, I think it is essential that additional steps be taken to implement the established controls. There should be a permanent Industry Statistical Advisory Committee appointed by WPB to work as a liaison between industry and WPB in regard to reports, questionnaires, policies or procedures which have direct influence on statistical requirements. This Committee, in turn, should appoint subcommittees for each branch of WPB that requires data from industry. These sub-committees would be on call through the Office of Survey Standards to work with that office and branch to design new questionnaires and review those currently in use."

Capitalistic System Will Be Retained By America After War, Dr. Stolper Declares

With "Capitalism After the War" as the theme of an address in Chicago before the Controllers Institute of America on Sept. 21, Dr. Gustav Stolper, Economist, declared that "by the end of the war the United States will be the only great industrial power on earth with physically intact facilities and an intact social fabric." He continued:

"In the rest of the world a tremendous reconstruction job lies ahead which will require large-scale American contributions.

"On these tasks our future policies must concentrate. Only private enterprise can do this job in a free society. There is no alternative to the free enterprise system in a free society.

"At the same time we must remain keenly aware of the fact that America's choice also decides for the rest of the world. Because America will retain the capitalist system, capitalism—with whatever modifications—will prevail in the future, for the civilized world cannot survive without American leadership."

In his address Mr. Stolper said: "I assume that the war in Europe will end in 1943," and in part added:

"My second assumption is that we may end the war with a national debt of between \$150,000,000,000 and \$200,000,000,000. Service of that debt may cost three to four billions a year. That is the first overhead item in our future permanent national overhead. The second overhead item originates in the necessity for the United States remaining a heavily militarized power. Whatever future world order we build up will be just as lasting as it is backed by American and British power. Therefore, I believe that in the foreseeable future the military budget will not drop below \$8,000,000,000 to \$10,000,000,000 a year. If we add to these two items the so-called normal civilian budget, including pensions arising from this war, we have to reconcile ourselves to a normal post-war budget of \$20,000,000,000. This alone will force us to maintain our national production at a very high level. National income must not be permitted to drop below \$100,000,000,000 a year."

Heads WPB Iron And Steel

Appointment of Hiland G. Batcheller, President of the Allegheny-Ludlum Steel Corp. of Pittsburgh, as head of the War Production Board's Iron and Steel Branch, was announced on Sept. 18 by Chairman Donald M. Nelson of the WPB. David F. Austin, Deputy Chief of the Branch, who has been acting as chief since the resignation of Reese H. Taylor on Aug. 31, has been compelled by ill-health to take an extended leave of absence and will return to the WPB on recovery of his health.

A resident of Pittsburgh, Mr. Batcheller is a graduate of Wesleyan University and is a trustee of Rensselaer Polytechnic Institute. In 1941, he served as a consultant in the Priorities Division of the Office of Production Management.

President Gives Sub-Chaser To Norwegian Navy

President Roosevelt on Sept. 16 transferred to the Royal Norwegian Navy a 173-foot submarine chaser "as a token of the admiration and friendship of the American people."

In a ceremony at the Washington Navy Yard, the President presented the ship to Crown Princess Martha, who recently returned from London, the seat of the Norwegian government in exile. Making the transfer under the Lend-Lease law, Mr. Roosevelt expressed the hope that the ship would "long keep the seas in the battle for liberty" and some day "carry the Norwegian flag into a home port in a free Norway." The President also had words of praise for the Norwegian people's resistance to the invader's will and for their contribution to the cause of the United Nations.

In accepting the subchaser, Crown Princess Martha thanked the President and the American people for their generous action and said that his words "will bring hope and renewed faith in deliverance from the yoke of the barbarians."

The ship was named after King Haakon VII, ruling monarch of Norway. Both addresses were broadcast nationally.

The text of the President's address follows:

"Your Royal Highness, Mr. Ambassador:

"If there is any one who still wonders why this war is being fought, let him look to Norway. If there is any one who has any delusions that this war could have been averted, let him look to Norway. And if there is any one who doubts the democracies' will to win, again I say, let him look to Norway.

"He will find in Norway, at once conquered and unconquerable, the answer to his questioning.

"We all know how this most peaceful and innocent of countries was ruthlessly violated. The combination of treachery and brute force which conquered Norway will live in history as the blackest deed of a black era. Norway fought valiantly with what few weapons there were at hand—and fell.

"And with Norway fell the concept that either remoteness from political controversy or usefulness to mankind could give any nation immunity from attack in a world where aggression spread unchecked.

"But the story of Norway since the conquest shows that while a free democracy may be slow to realize its danger, it can be heroic when aroused. At home, the Norwegian people have silently resisted the invader's will with grim endurance. Abroad, Norwegian ships and Norwegian men have rallied to the cause of the United Nations. And their assistance to that cause has been out of all proportion to their small numbers. The Norwegian merchant marine has lost some two hundred ships and thirteen hundred seamen in carrying the supplies vital to our own and Allied forces overseas. Nor has the Norwegian Navy been less active. Norse fighting ships battled valiantly but vainly against the invader—destroying one-third of the German invasion fleet before they were overwhelmed by superior forces. Right now the blue cross of Norway flies on the fourth largest navy of the United Nations—a Navy whose operations extend from the North Sea to the Indian Ocean.

"It is today the privilege of the people of the United States, through the mechanism of the lend-lease law, to assist this gallant navy in carrying out its present heavy duties.

"Your Royal Highness, as a token of the admiration and friendship of the American people toward your country and her navy, I ask you to receive this ship. We Americans, together with the millions of loyal Norwegians, are glad that this ship is being given today the name of the King of Norway—a leader well versed in the ways of the sea, a true leader who, with his people, has always stood for the freedom of the seas for all nations. May this ship long keep the seas in the battle for liberty. May the day come when she will carry the Norwegian flag into a home port in a free Norway!"

Crown Princess Martha said:

"Mr. President: On behalf of the King and the government of Norway I am very happy to accept this ship of war, which under the provisions of the Lend-Lease Act you have today transferred to my country. Having just returned from London, I am in a position to bear personal witness to the deep appreciation with which your friendly and generous action is being received by those who lead the Norwegian people in its fight for freedom.

"But not only the leaders—also Norwegian men and women everywhere, on the sea and on land, on the home front and on the external front—are stirred at what is taking place here today. It is not alone what this admirable, technically complete submarine chaser means as an addition to our fighting navy, but also, and not the least what it signifies as an expression of the friendship and common purpose of our great comrade-in-arms, the American people.

"The beautiful and generous words just expressed by you, Mr. President, about the Norwegian people and its contribution to our common cause, will ultimately find their way to every Norwegian home, every Norwegian ship on the seven seas, yes, to everywhere on this globe where Norwegian men and women are praying and working and fighting to regain the free and happy Norway of our deepest longing.

"Especially coming from one whose clear vision and unfaltering courage has contributed immeasurably to rally the forces of freedom, your words will bring hope and renewed faith in deliverance from the yoke of the barbarians.

"The tidings of America's rapidly increasing mobilized man power and war production, of the flaming spirit of America's fighting forces already manifested in engagements on land, sea and in the air, are every day telling our hard-tried people that with such an ally we cannot fail.

"The Royal Norwegian Navy is proud and happy to call their own this ship, named after our beloved leader, King Haakon VII. Those who are going to take her into the thick of our common battle tell me that their greatest ambition shall be to show themselves worthy of their flag, and of the trust and friendship of the President and the people of the United States."

Steel Convention

The 20th annual convention of the American Institute of Steel Construction will be held at the Broadmoor Hotel, Colorado Springs, Colo., Sept. 29, 30, Oct. 1 and 2. All the sessions will be devoted to war work, problems growing out of the national emergency and post-war prospects. It promises to be one of the most important gatherings of this industry.

From Washington

(Continued from First Page)

have been recently seeking to get prominent industrialists to issue statements against it. In Washington it is a good joke among the politicoes that Paul McNutt has been pushed into the position of being the advocate of regimented labor. The betting is about 10 to 1 that there will never be any such thing, but in the meantime the agitation is of considerable concern to labor leaders, and as matters stand, McNutt is the leading agitator for it. Manifestly, McNutt is looked upon as a politically ambitious man, and his rival politically ambitious men are currently tickled that they have him on the limb, which they consider they have him on.

But, to get back to the Republican chances: We have in the first place the apparent disinterest on the part of those voters whom the New Deal aroused and, secondly, those who are aroused, their dissatisfaction because they are now taxpayers and because of the threatened regimentation.

The situation is of considerable concern to Mr. Roosevelt. He sees his supporters, not necessarily moving against him, but still not enough excited to turn out and vote as he wants them to do. He will unquestionably do something about it.

The most effective thing he could do, as Washington political observers see it, is to make a so-called incognito trip around the country. On such a trip he would permit only the representatives of the three press associations to accompany him. And neither they nor any of the other Washington newspapermen would be permitted to write about the trip until he returned, at which time he would overwhelm any analytical observations of the trip with a lengthy statement, or perhaps a radio speech, telling about how he found the workers putting their shoulders to the wheel all over the country. Such a censorship of his real activities would be exercised under the guise that premature discussion would endanger his safety, and no writer in the country would want to be put in that light.

One might ask how the President could hope to politically cash in on such an unpublicized trip as this.

Well, let's assume he drops in unheralded on the workers in a General Motors plant in Detroit. Can you imagine anything more dramatic? There is no word of the visit even in the local newspapers. But the workers are astounded by the drama of the visit; they tell their wives; their wives tell others. In a short while the word sweeps all over Detroit that the President visited that city to see that war production was going all right. There can't be the slightest mention in the meantime of the political leaders he has talked to; there can't be a story of what he has really done; there can't be a story of what he has said to these workers; what he has adjured them to do; what he has promised them. The three reporters—and they are press association reporters with very little freedom in writing—can't possibly tell the whole story when they return. Assuming they write with unusual freedom, they would have to split their story into several pieces and in the meantime the overall propaganda of Mr. Roosevelt's report would have completely overwhelmed them.

Until the very eve of his 1940 election, Mr. Roosevelt made these so-called inspection tours. He wasn't campaigning, oh no—just inspecting defense plants. The Washington reporters still laugh about that.

You might say, well, why bring this up now—Mr. Roosevelt would not think of doing anything like we have pictured, with the country at war. Let's see if he does.

Anti-Inflation Bills Held Ineffective

(Continued from first page)

granted to those in the lowest income group in a company, the action may automatically put others in the same company in an inequitable wage category.

"The result may be that those in the higher wage levels will have to be given even larger wage increases in order to maintain an equitable wage structure.

"Again, you have a vicious circle of wage increases that leads to inflation."

Mr. Witherow told the controllers it was "the government's duty to stop inflation, just as it is the duty of the Army and Navy to specify the kind and type of weapons that are needed to stop and crush the enemy hordes." In contrast, he said, it was industry's job to continue the flow of war output. Complete conversion from peacetime operations to war production, Mr. Witherow said, had resulted in an increase of 350% in the war output since Pearl Harbor.

"Two realities of the war, said Mr. Witherow, are the "mammoth problem" of paying for the war and "the treacherous threat of inflation. These we cannot put off until the war is won. They are part and parcel of the problems of how to win the war." The tax program, he said, must pay for the war and "sop excess purchasing power, to ward off and stop inflation cold."

"Much," he added, "could be done to eliminate efforts and delays if the Government would in some way correlate its efforts and data on taxes, prices, wages, and the renegotiation of contracts. This would free management of many distractions and expedite war production." Pending tax legislation before Congress, he told his audience, will create an "economic post-war chaos," because working capital, vital to reconversion to peacetime production after the war, will be depleted. "The Senate Finance Committee recognized this salient fact when, last week, it provided for a post-war rebate and debt reduction credit of 10% of the total amount of excess profits taxes. This is a minimum needed as a post-war essential," said Mr. Witherow.

Transfer Of Four Agencies To Manpower Commission

In an executive order issued Sept. 18, President Roosevelt transferred from the Federal Security Agency to the War Manpower Commission various employment services and training functions.

The move, it is indicated, is designed to assure most effective mobilization and use of the nation's manpower; it affects the U. S. Employment Service and all functions and power of the Social Security Board in the Federal Security Agency relating to employment service; the National Youth Administration; the apprentice training service, including those functions relating to the program to encourage apprentice training in defense industries, and the training within industry service of FSA.

FIC Banks Place Debs.

The Federal Intermediate Credit Banks on Sept. 17 made a successful placement of $18,400,000 debentures through Charles R. Dunn, New York, fiscal agent for the banks. The debentures were sold at par. The debentures are dated Oct. 1, 1942, and are due May 1, 1943, they carry a coupon rate of ¾%. The proceeds of the sale together with $4,545,000 cash will be used to pay off $22,945,000 outstanding debentures due Oct. 1 next. At the close of business Oct. 1, 1942 the banks will have outstanding $274,350,000 debentures.

Federal Reserve Board Reports Industrial Output Increased Further In August

Industrial output continued to rise in August and the first half of September and retail distribution of commodities also increased, the Board of Governors of the Federal Reserve System reported on Sept. 21 in its summary of general business and financial conditions. Prices of farm products and foods advanced further.

The Board's summary continues:

Production

Industrial output increased in August and the Board's seasonally adjusted index rose three points to 183% of the 1935-1939 average. There were further marked increases in activity in the machinery, transportation equipment, and other armament industries. Crude petroleum production increased considerably from the reduced level of recent months and output of manufactured food products rose more than is usual at this time of year. Production of materials, such as steel, non-ferrous metals, coal and lumber continued in large volume.

Value of construction contracts awarded in August declined from the record high levels of June and July, according to figures of the F. W. Dodge Corp. The extent to which the continuing large volume of construction reflects the war program is indicated by the fact that in the first eight months of this year 84% of total awards have been for publicly financed projects and in recent months the percentage has been higher.

Distribution

Distribution of commodities to consumers increased considerably in August, reflecting particularly marked increases in department store sales and in sales of general merchandise in small towns and rural areas. Dollar value of sales to consumers in August was somewhat lower than the unusually large sales a year ago, when there was a considerable amount of anticipatory buying, while average prices were about 12% higher. On the basis of physical volume, therefore, sales were smaller than a year ago.

Railroad freight-car loadings were sustained at a high level during August and the first half of September, reflecting continued large shipments of most classes of freight.

Commodity Prices

During August and the first half of September the general wholesale price index advanced about half a point to 99.2% of the 1926 average, reflecting chiefly increases in prices of livestock products. Prices of wheat, flour and some other uncontrolled commodities also advanced. New crop tobacco prices showed sharp increases over last year and a temporary ceiling at current levels was established for flue-cured types.

Retail food prices continued to rise from the middle of July to the middle of August and further increases are indicated in September. Prices of uncontrolled foods in August were 10% higher than in May.

Agriculture

Crop prospects improved considerably during August and aggregate production this year is expected to be about 15% greater than in 1941, which was close to a record year for crops. Unusually high yields per acre are indicated for most major crops and for some others, like oil-seed crops, substantially increased acreages are expected to be harvested. Feed grain supplies are expected to be of record proportions, but owing to the growing number of livestock on farms the supply per animal will probably be about the same as last season.

Bank Credit

Excess reserves of member banks, which have generally fluctuated between $2,000,000,000 and $2,500,000,000 in recent months, rose temporarily to over $3,000,000,000 on Sept. 16. This increase was due partly to a further reduction in reserve requirements on demand deposits at central reserve city banks from 24 to 22% and partly to Treasury disbursements out of its balances with the Reserve Banks in connection with Sept. 15 tax collections and fiscal operations. Funds for these disbursements arose in part from the issuance of special one-day certificates to the Reserve Banks.

Excess reserves of New York City banks have been declining for a number of months owing principally to the excess of funds raised in that city by the Treasury over amounts expended there. The effect of this drain has been offset in part by purchases of Government securities by the Federal Reserve System and by the two successive reductions in reserve requirements.

At banks outside New York City excess reserves have shown little change in recent months. These banks have lost reserves through currency drain and their required reserves have increased owing to growth of their deposits; both these factors, however, have been largely offset by transfers of funds from New York.

Holdings of Government securities at New York City banks, which increased substantially in July and August, declined somewhat in the first half of September. At banks outside New York City holdings have continued to increase.

United States Government Security Prices

The recent $3,000,000,000 Treasury cash financing operation had little effect on the Government securities market, and prices continue steady.

Congress Debates Wage-Price Stabilization Bills President Opposes Higher Parity Formula

Debate on the anti-inflation legislation giving President Roosevelt broad authority to stabilize wages, salaries and prices began in the Senate on Sept. 21 and in the House on Sept. 22.

The Senate bill directs that these factors in the cost of living be established at levels of Sept. 15 and the House bill would set up Aug. 15 standards. While the two measures differed somewhat both carried out the Administration's wish with respect to farm price ceilings when the Banking Committees of both Houses rejected farm bloc demands for a new farm-price parity formula that would have included farm-labor costs. President Roosevelt in a letter to the Chairmen of the Banking Committees on Sept. 17 expressed his "unalterable opposition" to any recomputation of parity at this time. (Parity is a price level calculated to give farmers a return for their crops comparable to a past favorable period, usually 1909-14.)

In opening debate on the bill on Sept. 21 the Senate tentatively approved an amendment fixing a Nov. 1 deadline for Mr. Roosevelt to exercise the proposed powers to control the cost of living.

As to the method of stabilizing wages and salaries the Senate measure would empower the President to determine the same whereas the House bill directs the President to follow the War Labor Board's so-called "Little Steel" formula of permitting increases not to exceed 15% above Jan. 1, 1942 levels—an amount equivalent to the rise in living cost since that date. The Senate Banking Committee had also tentatively agreed on Sept. 17 to accept the "Little Steel" formula but struck this provision from its bill in approving it on Sept. 18.

With respect to farm price ceilings both bills contain clauses which would grant the farmer either parity or the highest price for commodities existing between Jan. 1 and Sept. 15. In addition, the Senate bill permits price adjustments to overcome "gross inequities" to meet increased labor costs. Both measures also set a floor under certain farm prices by mandatory government loans at 90% of parity, instead of the present 85% loan rate. These latter provisions were concessions to the farm group leaders, who sought to include hired labor costs in the computation of farm parity prices.

The President's letter opposing revision of the parity formula follows:

"My attention has been drawn to proposals to revise the parity formula in connection with the legislation I requested on Sept. 7. I understand that it is proposed to include certain allowance for farm labor in the index of prices which farmers pay that is used in computing parity prices.

"I should like to make clear my unalterable opposition to any recomputation of parity at this time. In my message of Sept. 7 I stated: In computing parity, we should continue to use the computations of the Bureau of Agricultural Economics made under the law as it stands today. This will continue to be my policy.

"Earlier in my message I stated, After all, parity is by its very definition, a fair relationship between the prices of the things farmers sell and the things they buy. Calculations of parity must include all costs of production including the cost of labor.' By that I meant what the language states—that parity is fair and it is fair because it now includes the labor cost incorporated in the prices of the things which farmers buy. It is this which brings farmers into a fair relationship with other groups. This is the purpose of parity. This the present formula does.

"The parity principle for which this Administration has stood since 1933 was a good standard for peacetime—it is a good standard for war. To recalculate parity now and to offer to the public 100% of a new and higher parity would be to offer stabilization, yet destroy the possibility of achieving it."

Introduction of the original Senate and House bills on Sept. 14 was reported in these columns Sept. 17, page 983.

Garside Quits Cotton Exch.

Alston H. Garside, who has been economist of the New York Cotton Exchange for the last 13 years, will leave the employ of the Exchange at the end of this month. Mr. Garside states that he expects to continue to engage in cotton economic work of a public character, but he gives no details as to his plans. In a statement issued by him, he says, however:

"I plan to continue to engage in writing for the public in the field of cotton economics. It would appear that in these times, when the marketing of cotton is undergoing radical changes, there is an exceptional opportunity for one to do constructive work in this field." In his association with the Cotton Exchange since 1929 in the capacity of economist, Mr. Garside has conducted the Trade Report and Basic Data Report services and has had charge of the compilation of the Cotton Yearbooks of the Exchange. He is author of the book entitled "Cotton Goes to Market."

July Food Deliveries For Shipment To Allied Nations

The Department of Agriculture reported on Sept. 16 that nearly 600,000,000 pounds of foodstuffs and other agricultural commodities were delivered by the Agricultural Marketing Administration during July for shipment to the allied nations. The deliveries were slightly larger than in the preceding month.

The largest food requests of the allies, as reflected by AMA's July deliveries, continued to be for grains and cereal products, of which 148,800,000 pounds were delivered during the month. Second largest quantity was in meats and fish, 122,400,000 pounds of which were delivered, the amount being slightly greater than in June. The 64,000,000 pounds of dairy products and eggs delivered was smaller than in the previous month, due in part to the shift in allied requests from evaporated to dry milk.

The Department's announcement further stated:

"AMA was able to supply the allied nations much larger quantities of badly-needed fats and oils during July, and also laid down at shipside increased quantities of processed fruits, vegetables, and non-foodstuffs, including cotton and tobacco.

"To fill the increasing demands of the United Nations, AMA is now beginning to dig into inventories which were fortunately accumulated last winter and spring," officials said. "Stocks of dairy and poultry products, and fruits declined slightly during July, and meat in somewhat greater degree. However, AMA's inventories of such urgently needed commodities as fats and oils, fish, and canned, dried, and dehydrated vegetables, increased somewhat during the month.

"In addition to concentrated foodstuffs, the allied nations have been able to move large quantities of the more bulky commodities, such as salt pork, grain, and cereals. These products are needed abroad, and prompt shipment is also important here in order to release storage and transportation facilities required for handling new supplies of foodstuffs now becoming available from this year's production.

"At present approximately 65% of the foodstuffs purchased by AMA is going directly to the allied nations, and about 35% is being consigned to stockpile position for anticipated allied needs and for other uses."

ODT Curbs Taxi Operations In N. Y. City

Drastic curtailment of taxicab service in New York City in furtherance of the Office of Defense Transportation's program to save rubber, gasoline and equipment was ordered recently by Joseph B. Eastman, ODT Director. The order became effective Sept. 20.

Fleet operators (those who operate three or more taxicabs) were ordered to discontinue operating by not less than a third the number of cabs for which they are entitled to city licenses on the effective date of the order.

Individual operators (those who operate less than three taxicabs) were ordered not to operate any taxicab more than six days a week. Furthermore, they were prohibited from increasing the number of shifts any cab has been operating.

Operating regulations included in the order, General Order ODT No. 22, were:

No taxicab can be driven outside the State of New York.

No taxicab can be driven more than five miles beyond the corporate limits of the City of New York.

There are about 11,700 taxicabs in New York City. This represents 22% of all the licensed cabs in the entire United States. In proportion to population there are more cabs in New York City than in any other city in the country except Washington. In New York City, there is one cab in operation for every 640 persons.

Director Eastman estimated that the order will result in these approximate savings:

About 107,000,000 taxi miles a year. Considering four tires to a taxi, the yearly saving will be 428,000,000 tire miles.

The need for 15,000 new tires, and the same number of recaps, will be eliminated.

Gasoline consumption will be reduced more than 10,000,000 gallons a year.

The order affecting the New York City taxicab operations is in addition to the regulations imposed by General Order ODT No. 20, which was effective Sept. 1 and which brought the entire taxicab industry of the United States under ODT restrictions (referred to in these columns of Sept. 3, page 81).

In issuing the order, Mr. Eastman said that it establishes a general conservation pattern in the industry which may have to be applied to other cities.

Military Decisions Made At London Conference

The White House announced on Sept. 8 that a conference was held in London in July between British and American officials, at which "the whole conduct of the war was thoroughly canvassed and, with the approval of the President, the necessary decisions regarding military operations were made."

The representatives of the United States Government were Harry L. Hopkins, personal representative of the President; Gen. George C. Marshall, Chief of Staff of the Army, and Admiral Ernest J. King, Chief of Naval Operations. The White House said that the American Chiefs of Staff and Mr. Hopkins held important meetings covering a period of 10 days with the British Chiefs of Staff and Prime Minister Winston Churchill.

Stephen Early, Secretary to the President, was in London at the same time for conference with Brandon Bracken, British Minister of Public Information.

On the return trip from London the American conferees visited Iceland and inspected the American bases there, the announcement concluded.

These developments followed President Roosevelt's radio address to the nation on Sept. 7, in which he said that the "power of Germany must be broken on the battlefields of Europe." The aim, he asserted, was "an offensive against Germany," and there were at least 12 points against which an attack could be made.

OPA Standards Division

Direct attack on the hidden price increases that result from debasement of quality, use of inferior materials, and "skimping" on measurements and workmanship is being launched by the Office of Price Administration, Leon Henderson, Administrator, announces.

To this end, Mr. Henderson disclosed that he has created a Standards Division which will provide OPA operating divisions with the technical assistance required to develop specific standards for inclusion in all OPA regulations where quality of product is a factor. These standards, which must be met if the commodity or product is to command the applicable maximum price, will include definitions of quality and may require goods to be identified and labeled accordingly.

The new division will not confine its activities to price regulations alone, but will also develop the standards for rationed commodities so that consumers will obtain fair quality as well as quantity when buying rationed goods. In the rent field, the new division will define the nature and extent of facilities and services which tenants must receive in return for their rentals in areas under OPA regulation.

The new division will make the fullest use of the work being done by the Bureau of Standards, Department of Agriculture, War Production Board, and other government agencies, as well as qualified standardizing groups outside the government.

Initially, Dexter M. Keezer, Deputy Administrator in charge of general services, will act as director of the Standards Division with Willis S. MacLeod as chief of technical operations. Dickson Reck will be Mr. MacLeod's senior technical associate.

Wages of Many Workers Gives Bare Subsistence

About 7,500,000 American workers earn 40 cents an hour or less, thus keeping them at the edge or below minimum standards of health and decency, it was reported recently by L. Metcalfe Walling, Administrator of the newly consolidated Wage and Hour and Public Contracts Divisions of the Department of Labor.

Mr. Walling's statement further said:

"The 7,500,000 workers being paid less than 40 cents hourly represent 19% of the 40,000,000 American wage earners exclusive of proprietors and Government employees.

"Of this number, 1,500,000 covered under the wage and hour law are getting between 30 and 40 cents. Some of the others in agriculture, retail trade, domestic service, fisheries and other types of work not covered by the wage and hour law are getting as little as 15 cents an hour or less.

"Even for those of the 7,500,000 who are getting up to 40 cents an hour, or $16 at the most for a 40-hour week, it must be remembered that the rise in prices has leveled the purchasing power of their 40 cents down toward that of the 30 cents set as a minimum standard of decency when the Act was passed in 1938.

"In addition, even in these war times, there are still employers who illegally withhold from their workers even the modest minimums required by law. Since Pearl Harbor about $16,250,000 in restitution has been agreed to or ordered paid to 415,000 workers in 22,000 establishments throughout the country."

August Life Insurance Sales Decline

The sale of ordinary life insurance in the United States in August amounted to $430,297,000, a decline of about 26% from the volume sold in the corresponding period of 1941, according to the monthly survey issued by the Life Insurance Sales Research Bureau, Hartford, Conn. The total sales volume for the first eight months of 1942, aggregating $4,462,043,000, is only about 3% below the amount sold in the same period of 1941.

The sales volume and the ratios for all sections are reported by the Bureau as follows:

	AUGUST 1942		YEAR TO DATE	
	Sales Volume in $1,000	Ratios '42-'41 All Cos.	Sales Volume in $1,000	Ratios '42-'41 All Cos.
U. S. total	$430,297	74%	$4,462,043	97%
New Engl'd	34,983	78%	358,838	97%
M. Atlantic	100,695	68%	1,190,292	96%
E. N. Cent.	97,929	75%	1,012,264	96%
W. N. Cent.	44,693	80%	433,595	100%
S. Atlantic	44,285	73%	428,234	93%
E. S. Cent.	17,515	73%	179,929	97%
W. S. Cent.	32,785	74%	320,373	95%
Mountain	12,123	76%	113,334	95%
Pacific	45,289	83%	425,184	106%

Bill Would Freeze Social Security Tax

Saying he was "unalterably opposed to raiding social-security trust funds" for the purpose of financing the war, Senator Vandenberg (Rep., Mich.) introduced in the Senate on Sept. 17 a bill to freeze social-security payroll taxes on both employers and employees at 1% through 1943. Unless Congress acts before Jan. 1 these taxes, under existing law, will increase automatically to 2%.

In introducing his bill, Senator Vandenberg said that the Treasury "not only desires to have the statutory payroll tax proceed to 2% on Jan. 1, 1943, but it actually will ask that the tax be further increased to 5%."

The reasons for the proposed increase, the Senator said, "have nothing to do with social-security or old-age payments," but with "a further so-called attack upon inflation and with the creation of new reservoirs of general bond sales credits."

Mr. Vandenberg further stated:

"I completely acknowledge the need for mobilizing every possible resource against inflation; and certainly I completely acknowledge the unavoidable necessity for some form of enforced savings to sustain the public credit in the face of our unavoidably tremendous war expenditures; but, Mr. President, I am unalterably opposed to raiding social security trust funds for these purposes, or for any purpose not directly related to the social security benefits which these payroll taxpayers are presumed to buy for themselves with their assessments. The problem of financing the war is a separate problem and it must be candidly and courageously faced as a separate problem. If we must have enforced savings or induced war bond purchases, the order should be candid and courageous and, above all, it should be universal and not applied solely to the employers and the workers of the country who alone pay these social-security taxes."

In his remarks to the Senate on the introduction of the bill, Senator Vandenberg also pointed out:

"The proceeds of this payroll tax have but one legitimate purpose and justification: First, either to pay old-age benefits, plus the cost of administration, or, second, to build a reasonable reserve for the future guaranty of these payments.

"For the fiscal year ending June 30, 1942, these receipts amounted to $972,000,000—that was the amount collected under the 1% payroll rate on both employers and workers—against withdrawals or payments of $141,000,000. Obviously, an increased payroll tax on employers and workers of the country is not necessary in order to meet current old-age obligations. Furthermore, the existing 1% payroll tax on both employers and workers, in actual fact, will produce as much revenue as it was estimated would be derived from a 2% tax when the existing statutory tax schedule was written by Congress in 1939."

With respect to the question whether the 100% increase in payroll taxes is necessary to sustain an essential reserve, Senator Vandenberg said that the assets of the trust fund—the reserve—were $3,227,000,000 at the end of the 1942 fiscal year. He quoted from Secretary of the Treasury Morgenthau's testimony before the House Ways and Means Committee in 1939 that a "reserve amounting to not more than three times the highest prospective annual benefits in the ensuing five years" would be adequate to protect the system. Mr. Vandenberg went on to say that the present reserve "is not three but 30 times the anticipated benefit payments in any one of the next five fiscal years, and it is not three but six times the total anticipated benefits during all of the next five fiscal years combined." He concluded that "there is no justification, on the basis of the accepted Congressional formula, for permitting the statutory doubling of payroll taxes for these purposes on Jan. 1, 1943."

Orders New Census Of Foreign-Owned Property

The Foreign Funds Control Division of the Treasury Department today announced regulations requiring a supplemental census of foreign-owned property.

The Treasury's announcement of Sept. 17 explained:

"Pursuant to Public Circular No. 4C, issued under the freezing orders on Sept. 14, 1942, the supplemental census will be reported on Series L of Form TFR-300 which is now being distributed to the Federal Reserve Banks. Reports on this series will supply current information concerning the property of certain groups of persons to supplement the comprehensive survey of foreign-owned property on the previous series of Form TFR-300, issued last year. In some circumstances persons reporting on Series L will also be obliged to file reports on one or more of the earlier series, so that complete information will be available concerning all property reported.

"One of the largest groups of persons who must report are nationals of foreign countries entering the United States at any time after Oct. 31, 1941. Persons who are already in this country must file their reports on or before Oct. 15, 1942, and those entering hereafter must file within 30 days of their entry. Reports are also required from persons whose property is blocked under Executive Order No. 8389 by specific direction of the Treasury Department and from anyone who holds property belonging to such a person. These reports are to be filed whenever blocking directions are issued by the Department.

"Persons holding property of any one whose name is on 'The Proclaimed List of Certain Blocked Nationals' must also report on Series L. Reports concerning property of persons whose names are already on the list must be submitted on or before Oct. 15, 1942, and reports relating to persons whose names are added in the future must be made within 15 days from the date the addition is promulgated.

"Public Circular No. 4C, which will also be available at the Federal Reserve Banks, contains complete instructions for preparing reports on Series L. The Federal Reserve Banks will answer any questions concerning the reporting requirements."

Billions More For Navy Asked By President

President Roosevelt asked Congress on Sept. 21 to appropriate $2,731,154,307 for the Navy, to supplement regular appropriations already made. The President also sought $100,000,000 for arming merchant ships. The largest item in the new request, which the Budget Bureau said was necessary "to provide for additional requirements for the prosecution of the war," was for $960,000,000 for the Bureau of Aeronautics. Of this latter total, $820,000 would be for the procurement of helium.

Other items in the request included:

Training, education and welfare, $21,640,000, pay, subsistence and transportation of naval personnel, $734,216,136, Bureau of Yards and Docks, $35,069,775, including sufficient funds to purchase 2,003 passenger vehicles, Marine Corps pay, $204,448,642, miscellaneous expenses of the Marine Corps, $250,000,000, Coast Guard pay, allowances and miscellaneous expenses, $339,166,000.

Post-War Cooperation Must Be Extensive

The Bank for International Settlements, Basel, Switzerland, said on Sept. 7 that financial and commercial cooperation in the peace arrangement to come must be extensive if the world is to avoid the errors which proved so harmful in 1918.

The following was reported by the Associated Press:

"The remarks were made in the twelfth annual report of the institution, established to solve the financial problems created by the last war and later to be a clearing house for all the big central European banks.

"Current business has been cut sharply by the war, but the Bank for International Settlements expects a big job after the peace.

"In some respects, the report said, financial policies pursued by the warring countries should make the solution of certain postwar problems easier than in 1918.

"The bank pointed out that taxation has been increased more resolutely, covering about half the governments' expenditures.

"In 1914-18, the British met only 20% of their current expenditures with current revenue and Germany only 13%, the report said.

"Once specific war expenditures disappear, the bank said there should be sufficient budget revenue to meet current requirements.

"Another important difference in this war is that much more drastic steps have been taken to prevent borrowing for speculative purchases of real estate and stocks.

"The outstanding fact of the world gold situation, the bank said, was that gold production for the first time since 1929 is practically at a standstill, amounting in 1941 to about 41,000,000 ounces and with the expectation that production in the next few years will decline.

"For the first time since 1934, the United States did not absorb the whole current output of gold. Of the new gold produced, amounting approximately to $1,435,000,000 about $742,000,000 went into monetary gold stocks in the United States in sharp contrast to the previous year when United States gold reserves rose $4,351,000,000 or three times the present gold production."

Million Man-Days Lost Through Strikes

Strikes in war industries caused a loss of 1,130,678 man-days work in the first seven months of this year, the War Labor Board reported recently. A compilation showed that, on the average, eight out of every 10,000 workers were idle because of strikes in industries covered by the report.

Regarding the report, United Press advices said:

"The report revealed that 295,734 workers ignored the pledge of labor and industry leaders not to strike, a pledge made at the request of President Roosevelt soon after the United States entered the war. There were 728 strikes, the workers involved, the Board said, being less than 3% of the total employed.

"Non-defense strikes were not included in the compilation of the Board. United States Conciliation Service reports indicated that there usually are three or four times as many non-defense as defense strikes.

"From Jan. 13, the date the Board was established, through Aug. 31, Secretary of Labor Perkins sent to the Board 459 disputes involving 2,603,823 workers. Of that number eighty-eight were strikes involving 84,144 workers.

"The Board reported that man-days lost by strikes in war industries increased from 46,000 in January to 255,000 in June. The July total was 234,000.

"The report showed that during January 13,000 workers involved in thirty-one strikes lost 46,000 man-days of work. The figures jumped to 27,000 workers, fifty-seven strikes and 119,000 man-days lost in February.

"In March there were 39,000 strikers in seventy-four strikes and a loss of 167,000 man-days; in April, 43,000 strikers, ninety-five strikes and 170,000 man-days lost; in May, 48,000 strikers, 144 strikes and 137,000 man-days lost; in June, 85,000 strikers, 192 strikes and 255,000 man-days lost, and in July, 81,000 strikers in 222 strikes and 234,000 man-days lost.

"Board officials stated that many of the strikes continued from one month into the next and therefore the number of strikes and strikers was duplicated in consecutive months.

"The Board has obtained settlements in 205 disputes involving 1,414,394 workers. It has pending at the start of this month 254 disputes involving 1,189,429 workers."

Foreign Traders To Convene In Boston

Wartime problems of the foreign trader and the future of America's place in the markets of the world will be discussed at the 29th National Foreign Trade Convention to be held at the Hotel Statler, Boston, Oct. 7, 8 and 9.

Leading speakers at this Convention will include Under Secretary of State Sumner Welles, who will speak at the World Trade Dinner, and who will be presented at that function with the Captain Robert Dollar Memorial Award, for "his distinguished contribution to the advancement of American foreign trade." Governor Leverett Saltonstall of Massachusetts will also speak at the World Trade Dinner.

The opening session on Oct. 7 will be addressed by the Chairman, Charles E. Spencer, Jr., Chairman of the Boston Convention Committee and President, First National Bank of Boston; James A. Farrell, Chairman of the National Foreign Trade Council; Under Secretary of Commerce Wayne C. Taylor, J. E. Otterson, Chairman, American Maritime Council, New York.

The Bankers Association for Foreign Trade will also hold a session on Oct. 7. The speakers include Warren Lee Pierson, President, Export - Import Bank of Washington; Joseph C. Rovensky, Assistant Coordinator of Inter-American Affairs, and Wilbert Ward, Vice-President, the National City Bank of New York.

Other sessions of the Convention include: Tax Committee Group, Transportation and Insurance, Education, Panel Discussion on Governmental Operations Affecting Foreign Trade, The Americas' Session, Wartime Export Forum, Importers' Group Session, Cuban Committee Group Session, Industrial Groups, Economic Reconstruction Session, and the final session, on Oct. 9, at which the Final Declaration of the Convention will be presented to the delegates for ratification.

Distinguished speakers will address the various sessions, including the following: Nelson A. Rockefeller, Coordinator of Inter-American Affairs; Thomas J. Watson, Chairman, Committee for Economic Reconstruction and President, International Business Machines Corp.; Raymond H. Geist, Chief, Division of Commercial Affairs, Department of State; James S. Carson, Vice-President, American & Foreign Power Co.; H. H. Pike, Jr., Vice-President, H. H. Pike & Co., Inc.; Eugene P. Thomas, President, National Foreign Trade Council; William K. Jackson, Vice-President, United Fruit Co.; Eliot Wadsworth, Chairman, American Committee, International Chamber of Commerce; M. M. Sterling, President, National Council of American Importers; John F. Tinsley, President, Crompton & Knowles Loom Works; Dr. Edwin Borchard, Yale University.

The program has been planned to cover wartime and post-war problems and about 30 of the leading officials of Government departments and wartime agencies will be present to answer questions.

Quick Action Urged On Taxes, Inflation

Immediate and concrete action in the adoption of a broad anti-inflationary program and a comprehensive but sound tax bill are urgently necessary, it is pointed out by Henry H. Heimann, Executive Manager of the National Association of Credit Men, in the Association's mid-monthly review of business released Sept. 15 to its 20,000 manufacturing, wholesaling and banking members.

The multiplicity of recent tax proposals, Mr. Heimann declares, has left "tax-conscious citizens in a virtual daze.

"The most important piece of tax legislation ever attempted has been beset with tax programs as varied as the winds," Mr. Heimann says. "If our military leaders changed their over-all strategy as frequently as tax changes have been proposed there would be little hope for us in the war.

"This nation at war deserves to know from its leaders and its representatives the full scope of the war burden. Through Selective Service, we have a reasonably clear conception of the future man-power needs. We deserve to and must know as much about the calls that we can expect on our financial strength."

Discussing inflation, Mr. Heimann states that "no single weapon can prevent inflation. It requires many, and above all it requires courage to adopt the broad program that is necessary, and to do this in time — not after the vicious trend has begun.

"It is idle to speak of checking inflationary tendencies and then eliminate large segments of our economic forces from playing their part in the program. Much has been said against the farm price parity program. The farmer, along with every other citizen must do his bit. But he is not alone. Millions of wage-earners must realize that wages and salaries offer as great a potential source of danger as any single factor.

"We must have the courage to face these facts and to act accordingly. Deferring the day of action merely makes the problem more difficult. The times call for full control of inflationary factors. Shortly it will be too late.

"Let us make sure that our anti-inflationary program is not branded 'too little—too late'! And in so acting, let us follow the democratic processes laid down by the Constitution for our republican form of government."

The tax situation, Mr. Heimann says, is involved, but "there can be no confusion about some of the facts about our present tax outlook and the type of tax legislation that is needed." He added:

"Any delay of a sound tax bill due to political expediency or class favoritism or blind intolerance to an alternate plan of taxation merely because it is new, is a definite hindrance to the war effort, far beyond the amount of taxes involved, because it keeps the minds of men and women so absorbed in trying to analyze what taxes may be in store that the reserve energy so essential to a successful prosecution of the war is channeled away through indecision and uneasiness."

Copper Recovery Program Aiding Many War Plants

Transfers of copper from idle and excess inventories to producers needing this critical metal for the manufacture of munitions, planes, tanks and other implements of war, is aiding hundreds of war plants to maintain schedules and, in many instances, is preventing complete shutdowns when emergency shortages occur.

This was revealed on Sept. 9 when the Inventory and Requisitioning Branch of the War Production Board announced that 29,700,000 pounds of copper and copper base alloys have been allocated from immobilized stocks to war production channels through the WPB's copper recovery program, instituted eight weeks ago.

Of this total 2,400,000 pounds were allocated for stockpiling to meet future anticipated demands for standard shapes and sizes of mill products; 6,300,000 pounds were reported and allocated as scrap; 9,300,000 pounds were allocated, or known to have been moved for use in existing form under Priorities Regulation No. 13, and 11,700,000 pounds were allocated to brass mills and ingot makers for remelting.

In making the announcement, E. A. Tupper, Chief of WPB's Inventory and Requisitioning Branch, said:

"To date over 14,000 firms have reported a total of 111,000,000 pounds of idle and excess inventories of copper and copper base alloys. Much of the copper reported has been offered for voluntary sale at the government's prices. That which the owner refuses to sell but which is nevertheless needed for war production will be requisitioned.

"Copper and copper base alloys are now being allocated from idle inventories into strategic war production at the rate of over 4,000,000 pounds a week.

"While this is double the original estimate for this date, the current needs of our vast war production machine are now so great that even this figure must again be doubled within the course of the next few weeks."

A special unit from the Copper Branch of WPB has been set up in the offices of Copper Recovery Corporation, 200 Madison Avenue, New York, N. Y., to locate copper in the forms needed, and to redistribute it to war plants urgently requiring it because of unforseen material shortages, plant breakdowns, receipt of new war orders or other emergencies. In most of these emergencies, the war plant cannot wait for receipt of the needed shapes from its regular source of supply.

At the present time, the WPB further said, emergency requests for copper in various forms are being received from war plants and the armed services at the rate of 500,000 pounds a day. More than half of all these emergency requests are being successfully filled from idle and excess inventories where the materials are located in exactly the form needed sales arranged and immediate shipments made.

Latin-American Trade Group Headed by Glenn

John B. Glenn, President of the Pan American Trust Co., New York City, was elected Chairman of the new Latin American Section of the New York Board of Trade at the first meeting of the group's executive committee, held at the Banker's Club, on Sept. 10.

Charles B. Williams, Vice-President of Underwood Elliott Fisher Co. and Honorary President of the Mexican Chamber of Commerce, was named Vice-Chairman of the new section, organized to promote inter-American trade relations. Hal F. Lee, of the New York Board of Trade, was elected Secretary and Treasurer.

The new inter-American trade group was formally organized a week ago at a luncheon honoring Rafael de la Colina, Consul General of Mexico, who announced the award of Mexico's highest civilian decoration, the Mexican Aztec Eagle, to Mr. Glenn and to Frederick E. Hasler, Chairman of the Board of the Continental Bank and Trust Co., New York City, and President of the Pan American Society. The actual award of these decorations was made Sept. 10 at a reception at the Yale Club, tendered Messrs. Glenn and Hasler by Jerome S. Hess, internationally known attorney. The presentation was made by Mexican Consul General, Rafael de la Colina, representing President Avila Camacho, of Mexico.

A program of work committee of the Board of Trade's new Latin American Section was appointed, comprising Charles B. Williams, Chairman; John Zellers, President New York Advertising Club and Vice-President Remington Rand, Inc., and Arthur Rocke, President Rocke International Electric Co.

Other members of the newly-elected executive committee are: J. W. Chapman, Vice-President Grace Line; L. A. Cholot, Pan American Airways; F. J. Emmerich, Vice-President Block International Co.; Jerome Hess, Hardin, Hess & Eder; Percey C. Magnus, President Magnus, Mabee & Reynard and New York Board of Trade; F. P. Mattox, President National Paper & Type Co.; Charles Milbauer, National Sugar Refining Co., and Charles T. Wilson, President Charles T. Wilson Co.

Horton On WLB

The National War Labor Board recently announced that President Roosevelt had appointed H. B. Horton, Treasurer of the Chicago Bridge and Iron Corp., to replace Walter C. Teagle, Chairman of the Board of the Standard Oil Co. of New Jersey, who has resigned after serving continuously for a year and a half as an employer member of the National Defense Mediation Board and the War Labor Board.

The President also appointed Robert F. Black, President of the White Motor Co., Cleveland, Ohio, as an alternate employer member of the Board to replace Mr. Horton, who had served in that capacity since the Board's creation Jan. 12, 1942.

The employer members of the Board now are: Roger D. Lapham, Chairman of the Board of the American - Hawaiian Steamship Co.; George H. Mead, President of the Mead Corp.; E. J. McMillan, President of Standard Knitting Mills, and Mr. Horton, regular members; and R. R. Deupree, President of Proctor and Gamble; Cyrus Ching, Vice-President of U. S. Rubber Co.; H. L. Derby, President of American Cyanamid and Chemical Co., and Mr. Black, alternate members.

August Living Costs Up In Industrial Cities

Living costs for wage earners and lower-salaried clerical workers rose from July to August in 46 of the 70 cities surveyed each month by the National Industrial Conference Board. In nine cities the cost of living advanced 1.0% or more. No change occurred in four cities, while in 20 costs were lower by 0.1 to 1.1%. In the United States as a whole, the level of living costs rose 0.3%, due chiefly to a 0.8% increase in food prices.

The cost of living was higher this August than in August, 1941, in all the cities for which comparable figures are available. It rose above the level of a year ago from 6.8% in Grand Rapids, the smallest increase shown, to 15.3 in Oakland, the largest. For the United States as a whole, the cost of living increased 9.7% during the 12-month period.

Electric Output For Week Ended Sept. 19, 1942 Shows 14.8% Gain Over Same Week Last Year

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 Sept. 19, 1942, was 3,756,922,000 kwh., which compares with 3,273,375,000 kwh. in the corresponding week last year, an increase of 14.8%. The output for the two-week period ended Sept. 12, 1942, which included the Labor Day holiday, was 12.4% in excess of the similar period in 1941.

PERCENTAGE INCREASE OVER PREVIOUS YEAR

Major Geographical Divisions—	Week Ended— Sept. 19	*Sept. 5 & 12	Aug. 29	Aug. 22
New England	7.5	7.9	6.2	6.2
Middle Atlantic	10.2	7.5	5.9	10.9
Central Industrial	10.8	9.2	8.8	9.4
West Central	11.9	10.4	10.4	8.7
Southern States	19.3	13.9	15.6	19.0
Rocky Mountain	12.5	12.0	8.1	8.9
Pacific Coast	28.9	28.2	24.8	27.1
Total United States	14.8	12.4	11.6	13.7

*Revised.

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Week Ended—	1942	1941	% Change 1942 over 1941	1940	1932	1929
July 4	3,424,188	2,903,727	+17.9	2,425,229	1,341,730	1,592,075
July 11	3,428,918	3,178,054	+ 7.9	2,651,626	1,415,704	1,711,625
July 18	3,565,367	3,199,105	+11.4	2,681,071	1,433,993	1,727,225
July 25	3,625,645	3,220,526	+12.6	2,760,935	1,440,386	1,723,031
Aug 1	3,649,146	3,263,082	+11.8	2,762,240	1,426,986	1,724,728
Aug 8	3,637,070	3,233,242	+12.5	2,743,284	1,415,122	1,729,667
Aug 15	3,654,795	3,238,160	+12.9	2,745,697	1,431,910	1,733,110
Aug 22	3,673,717	3,230,750	+13.7	2,714,193	1,436,440	1,750,056
Aug 29	3,639,961	3,261,149	+11.6	2,736,224	1,464,700	1,761,594
Sep 5	3,672,921	3,132,954	+12.4	2,591,957	1,423,977	1,674,588
Sep 12	*3,583,408	3,222,346		2,773,177	1,476,442	1,806,259
Sep 19	3,756,922	3,273,375	+14.8	2,769,346	1,490,863	1,792,131
Sep 26	------	3,273,376		2,816,358	1,499,459	1,777,854

*Revised.

Steel Operations Slightly Lower—New Steel Quota Plan Likely—Delivery Pressure Shifts

"Steel distribution in wartime—perhaps the toughest problem of the U. S. production front—this week was to feel the magic touch of Barney Baruch, the head of the War Industries Board in the last war and the master trouble shooter of this war," reports "The Iron Age" in its issue of today (Sept. 24), which further goes on to say in part:

"Under Mr. Baruch's influence—he has just surveyed and made plans for whipping the rubber shortage—a new quota system under which a master scheduling board will strive to channel steel products to hungry war plants is likely to go into effect shortly.

"The appointment of Hiland G. Batcheller, Allegheny Ludlum Steel Corp. President, as head of the War Production Board Iron and Steel Branch points to a new drive for more efficient steel distribution.

"Coming after the appointment of Ernest Kanzler, Universal Credit Co. (Ford) President, as WPB Director General for Operations, and Charles E. Wilson, General Electric President, as WPB Vice Chairman, the appointment of Ferdinand Eberstadt, former Chairman of the Army and Navy Munitions Board, as Vice-Chairman, suggests that President Roosevelt, Donald M. Nelson and Mr. Baruch are planning fundamental changes in the War Production Board.

"Industry notes that Mr. Eberstadt will be responsible for the determination of programs and schedules and will be in charge of the flow of materials. He is known to favor both the steel quota plan—which now seems headed for adoption after some rough handling by its foes at Washington—and the Contract Production Control plan on an industry-wide basis.

"The above plans involve the use of warrants, linking actual needs to actual capacity, and will, if adopted, replace the priorities system for steel.

"Under the Quota Plan for steel distribution, the Army, Navy and other government agencies will be obligated to indicate at regular intervals just how much steel they need, what they need it for, and how urgent the need is. The material is to reach the prime or subcontractor of a war order exactly when he needs it. Adoption of the overall control plan would undoubtedly throw out the PRP and other stopgaps in attempts to get a straight line approach to the steel problem.

"Supporters of this new plan for steel control believe that within a month or so after its adoption paperwork will be sharply reduced for steel producers and consumers, reports will be cut, and production schedules will be simplified.

"Frequent changes in the strategy of the war and the constant growth in the Nation's industrial war machine presents many problems, not all of which will disappear if and when the new Quota Plan for steel channeling is adopted. A short time ago the plate situation was described as the most critical, with the effects of the shortages on ship construction getting the front of the stage in war shortage discussions. This week some consumers find it easier to obtain plates than sheets, reports from several areas indicating that the bar and sheet picture is the blacker. Alloys, of course, remain the No. 1 critical problem."

The American Iron & Steel Institute on Sept. 21 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 96.2% of capacity for the week beginning Sept. 21, compared with 97.2% one week ago, 97.3% one month ago and 96.8% one year ago. This represents a decrease of 1.0 point or 1.0% from the preceding week. The operating rate for the week beginning Sept. 21 is equivalent to 1,645,700 tons of steel ingots and castings, compared to 1,662,800 tons one week ago, 1,664,500 tons one month ago, and 1,599,300 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on Sept. 21 stated in part: "Emphasis on deliveries is shifting from plates to bars, production of the former having moved up for several months to a point fairly even with demand, while the bar situation has not improved.

"As a result some steel is being diverted from plates to other products, including bars. This does not apply to wide sheared plates, for which demand exceeds supply. In bars, deliveries on highest ratings average three to four months, the pinch felt especially in large rounds and in flats. With large requirements for shell rounds expected to come out later in the year the situation promises to become even tighter. Following the success achieved in control of plate production and distribution under the allocation plan a similar system may be expected to be applied to bars.

"Supply of National Emergency steels is increasing but deliveries are delayed as badly as was the case in the older alloys. The new steels are winning gradual acceptance as tests prove their adaptability to various uses. A large proportion is said to be going into use without heat treatment, which limits information as to their action under processing.

"An allocation system for hot-rolled bars for cold finishers is scheduled to go into effect soon, based on the plan previously announced and later withdrawn, with allocations on a monthly basis.

"Ingot production holds steady at the highest practicable rate, necessity for open-hearth repair taking its toll and preventing full capacity operation.

"Efforts to uncover scrap continue in full force and are producing results, supply being better currently than in recent months. A number of tight spots have been relieved and in occasional cases some stocks are being accumulated, though the latter is the exception.

"As a result of the quota system some cold-rolled sheet producers are unable to book further tonnage, their steel allotment being covered. At the same time others are competing for this class of material to fill out their quota. Sheet demand is not as heavy as in plates, bars and some other products.

"Ceiling prices have been set by OPA on rejected flat-rolled and semi-finished steel at 65 to 85% of base prices for comparable products of prime quality, plus a percentage of a limited number of trade extras. This is a reduction of 15 to 35%, as previously they could be sold at the same prices as full quality products. The new order is designated amendment No. 7 to revised price schedule No. 6 and is effective Sept. 17.

"While some blast furnaces are out of production while being relined the situation in general is good and pig iron output is high."

NJ State Banks Urged To Join Fed. Reserve System

The New Jersey Banking Advisory Board announced on Sept. 15 that it had adopted a resolution that it would be desirable for all State banks which have not already joined the Federal Reserve System to do so now, according to Associated Press Trenton advices, which said: An announcement by the Board, which acts in an advisory capacity to Banking and Insurance Commissioner Eugene E. Agger, said joining at this time "would not only add to the strength of the banking system in the war effort, but would assure the individual bank of aid in the post-war reconstruction period when the banking system as a whole is likely to be subject to a severe strain."

Detroit Reserve Bank Branch To Move

In order to meet the growing demand for space resulting from increased activities at the Detroit branch, the Federal Reserve Bank of Chicago announced on Sept. 15 that it had leased the Security Trust Building, 735 Griswold St., Detroit, from the Detroit Trust Co. The Security Trust Building is a four-story structure with 17,600 square feet of work space, exclusive of the basement which has an additional 1,500 square feet. There is also a storage space of 2,000 square feet in the attic. The building will be occupied as soon as decorating and necessary alterations are completed. In announcing the lease, Mr. Young, President of the Federal Reserve Bank of Chicago, stated:

"Because of the importance of Detroit as a war production and financial center, the Directors of the Federal Reserve Bank of Chicago have voted to increase the responsibilities of the Detroit branch officers and directors in order that additional services may be extended to the member banks and the public in the Detroit area. Further announcement as to the additional services which will be made available will be announced at a later date. It is anticipated that the new building will be ready for occupancy Oct. 1."

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	Avge. Corporate rate *	Corporate by Ratings * Aaa	Aa	A	Baa	Corporate by Groups * R. R.	P. U.	Indus
Sept. 22	117.53	107.09	117.00	113.70	108.34	92.06	97.00	111.62	113.89
21	117.59	107.27	117.00	113.70	108.52	92.06	96.85	111.62	114.08
19	117.59	107.27	117.00	113.70	108.52	92.20	97.00	111.62	114.08
18	117.62	107.27	117.00	113.70	108.52	92.06	96.85	111.81	114.08
17	117.62	107.27	117.00	113.70	108.52	92.06	96.85	111.81	114.08
16	117.59	107.09	117.00	113.50	108.52	92.06	96.69	111.81	114.08
15	117.62	107.27	117.00	113.50	108.52	92.20	96.85	111.81	113.89
14	117.69	107.09	117.00	113.50	108.52	92.06	96.69	111.81	113.89
12	117.73	107.09	116.80	113.50	108.34	92.06	96.69	111.81	113.89
11	117.75	107.09	116.80	113.50	108.34	92.06	96.69	111.81	113.89
10	117.76	107.09	116.80	113.50	108.34	92.20	96.69	111.81	114.08
9	117.78	107.09	117.00	113.31	108.34	92.20	96.69	111.62	114.27
8	117.75	107.09	116.80	113.31	108.34	92.20	96.69	111.62	114.08
7				EXCHANGE CLOSED					
5	117.80	107.09	117.00	113.31	108.34	92.06	96.54	111.62	114.08
4	117.80	107.09	117.00	113.31	108.34	92.06	96.54	111.62	114.08
3	117.81	107.09	116.80	113.31	108.34	92.06	96.54	111.62	114.08
2	117.84	107.09	116.80	113.31	108.34	92.06	96.54	111.44	114.08
1	117.84	106.92	116.80	113.31	108.16	92.06	96.54	111.62	114.03
Aug. 28	117.85	106.92	116.80	113.31	108.16	92.06	96.54	111.62	114.08
21	117.93	106.92	116.80	113.31	108.16	92.06	96.38	111.44	114.08
14	117.92	106.92	116.80	113.31	108.16	91.91	96.23	111.44	114.08
7	117.97	106.92	116.61	113.12	108.16	91.91	96.23	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
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	107.27	117.00	114.08	108.52	92.50	97.47	111.81	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 Sept. 22, 1941	118.96	107.62	118.20	114.85	108.70	91.34	96.54	111.81	115.43
2 Years ago Sept. 21, 1940	116.54	104.14	116.61	112.93	103.80	86.91	92.79	109.79	111.44

MOODY'S BOND YIELD AVERAGES†
(Based on Individual Closing Prices)

1942— Daily Average	Avge. Corporate rate	Corporate by Ratings Aaa	Aa	A	Baa	Corporate by Groups R. R.	P. U.	Indus.
Sept. 22	3.33	2.80	2.97	3.26	4.27	3.94	3.08	2.95
21	3.32	2.80	2.97	3.25	4.27	3.95	3.08	2.95
19	3.32	2.80	2.97	3.25	4.26	3.94	3.08	2.95
18	3.32	2.80	2.97	3.25	4.27	3.95	3.07	2.95
17	3.32	2.80	2.97	3.25	4.27	3.95	3.07	2.95
16	3.33	2.80	2.98	3.25	4.27	3.96	3.07	2.95
15	3.32	2.80	2.98	3.25	4.26	3.95	3.07	2.96
14	3.33	2.80	2.98	3.25	4.27	3.96	3.07	2.96
12	3.33	2.81	2.98	3.26	4.27	3.96	3.07	2.96
11	3.33	2.81	2.98	3.26	4.27	3.96	3.07	2.96
10	3.33	2.81	2.98	3.26	4.26	3.96	3.07	2.95
9	3.33	2.80	2.99	3.26	4.26	3.96	3.08	2.94
8	3.33	2.81	2.99	3.26	4.26	3.96	3.08	2.95
7			EXCHANGE CLOSED					
5	3.33	2.80	2.99	3.26	4.27	3.97	3.08	2.95
4	3.33	2.80	2.99	3.26	4.27	3.97	3.08	2.95
3	3.33	2.81	2.99	3.26	4.27	3.97	3.08	2.95
2	3.33	2.81	2.99	3.26	4.27	3.97	3.09	2.95
1	3.34	2.81	2.99	3.27	4.27	3.97	3.08	2.95
Aug. 28	3.34	2.81	2.99	3.27	4.27	3.97	3.08	2.95
21	3.34	2.81	2.99	3.27	4.27	3.98	3.09	2.95
14	3.34	2.81	2.99	3.27	4.28	3.99	3.09	2.95
7	3.34	2.82	3.00	3.27	4.28	3.99	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
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	3.32	2.80	2.95	3.25	4.24	3.91	3.07	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 Sept. 22, 1941	3.30	2.74	2.91	3.24	4.32	3.97	3.07	2.88
2 Years ago Sept. 21, 1940	3.50	2.82	3.01	3.52	4.64	4.22	3.18	3.09

*These prices are computed from average yields on the basis of one "typical" bond (3¾% 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 Sept. 17, 1942, page 995.

Moody's Daily Commodity Index

Tuesday, Sept. 15	232.2
Wednesday, Sept. 16	232.1
Thursday, Sept. 17	232.4
Friday, Sept. 18	232.7
Saturday, Sept. 19	232.6
Monday, Sept. 21	233.0
Tuesday, Sept. 22	234.4
Two weeks ago, Sept. 8	232.2
Month ago, Aug. 22	230.7
Year ago, Sept. 22	214.3
1941 High, Sept. 9	219.9
Low, Feb. 17	171.6
1942 High, Sept. 22	234.4
Low, Jan. 2	220.0

Daily Average Crude Oil Production For Week Ended Sept. 12, 1942 Increased 219,700 Bbls.

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Sept. 12, 1942, was 3,902,450 barrels, an increase of 219,700 barrels over the preceding week. The current figure, however, was 131,250 barrels less than the daily average for the corresponding period of 1941, and was 164,050 barrels below the daily average figure for the month of September, 1942, as recommended by the Office of Petroleum Coordinator. Daily production for the four weeks ended Sept. 12, 1942, averaged 3,880,300 barrels. Further details as reported by the Institute follow:

Reports received from refining companies owning 85.6% of the 4,800,000 barrel 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, 3,710,000 barrels of crude oil daily during the week ended Sept. 12, 1942, and that all companies had in storage at refineries, at bulk terminals, in transit and in pipe lines as of the end of that week, 81,758,000 barrels of finished and unfinished gasoline. The total amount of gasoline produced by all companies is estimated to have been 11,255,000 barrels during the week ended Sept. 12, 1942.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*O.P.C. Recommendations September	*State Allowables Beginning Sept. 1	—Actual Production— Week Ended Sept. 12 1942	Change From Previous Week	4 Weeks Ended Sept. 12 1942	Week Ended Sept. 13 1941
Oklahoma	415,300	415,300	†370,200	— 9,100	377,050	417,100
Kansas	285,300	291,900	†272,650	+ 26,800	276,400	244,050
Nebraska	3,900	------	†3,450	+ 150	3,300	7,350
Panhandle Texas			90,000	+ 15,000	86,950	85,300
North Texas			136,600	+ 6,150	135,200	132,200
West Texas			205,600	+ 25,450	209,300	280,650
East Central Texas			86,200	+ 6,500	85,550	85,250
East Texas			362,400	+ 71,400	344,100	369,750
Southwest Texas			164,200	+ 6,400	180,100	220,250
Coastal Texas			310,900	+ 17,100	303,150	293,200
Total Texas	1,397,800	‡1,430,363	1,355,900	+148,000	1,344,350	1,466,600
North Louisiana			97,300	+ 300	97,250	80,450
Coastal Louisiana			240,250	+ 8,750	238,100	255,300
Total Louisiana	334,800	347,800	337,550	+ 9,050	335,350	335,750
Arkansas	81,900	75,439	72,500	+ 150	72,000	75,600
Mississippi	50,200		†73,350	+ 1,350	74,350	53,600
Illinois	289,200		276,000	+ 8,300	271,600	394,050
Indiana	19,300		†17,450	— 950	17,800	19,700
Eastern (not incl. Ill. & Ind.)	103,300		95,200	— 2,150	96,550	92,900
Michigan	66,700		65,800	+ 3,900	63,200	51,850
Wyoming	93,400		86,900	— 1,550	89,150	83,500
Montana	22,800		21,700	----	22,300	20,550
Colorado	7,000		7,450	+ 750	6,900	4,850
New Mexico	98,100	98,100	97,650	+ 2,300	95,900	113,750
Total East of Calif.	3,275,000		3,153,750	+187,000	3,146,200	3,381,200
California	791,500	§791,500	748,700	+ 32,700	734,100	652,500
Total United States	4,066,500		3,902,450	+219,700	3,880,300	4,033,700

*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 proration. 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 and allied products in June 1942 as follows: Oklahoma, 28,900; Kansas, 4,200; Texas, 99,000; Louisiana, 18,900; Arkansas, 2,800; New Mexico, 5,400; California, 39,700; other states, 19,700.

†Oklahoma, Kansas, Nebraska, Mississippi, Indiana figures are for week ended 7 a.m. Sept. 9.

‡This is the net basic allowable as of Sept. 1 calculated on a 30-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 3 to 15 days, the entire state was ordered shutdown for 9 days, namely, Sept. 5, 6, 12, 13, 19, 20, 26, 27 and 30.

§Recommendation of Conservation Committee of California Oil Producers.

CRUDE RUNS TO STILLS; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE AND GAS AND FUEL OIL, WEEK ENDED SEPT. 12, 1942

(Figures in Thousands of Barrels of 42 Gallons Each)

Figures in this section include reported totals plus an estimate of unreported amounts and are therefore on a Bureau of Mines basis (columns: Gasoline Production at Refineries Includ. Natural Blended; Stocks Finished and Unfinished Gasoline; ‡Stocks of Gas Oil and Distillate Fuels; ‡Stocks of Residual Fuel Oil)

District—	Daily Refining Capacity Potential Rate	Daily Refining Capacity % Reporting	Crude Runs to Stills Daily Average	Crude Runs to Stills % Operated	Gasoline Production at Refineries Includ. Natural Blended	Stocks Finished and Unfinished Gasoline	‡Stocks of Gas Oil and Distillate Fuels	‡Stocks of Residual Fuel Oil
*Combin'd: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana - Arkansas and Inland Texas	2,440	88.2	1,579	64.7	4,728	39,415	22,235	18,811
Appalachian	176	84.8	165	93.8	452	2,876	634	471
Ind., Ill., Ky.	804	83.3	765	95.1	2,645	14,435	6,107	3,362
Okla., Kansas, Mo.	416	80.1	373	89.7	1,275	6,931	1,844	1,383
Rocky Mountain	147	48.0	104	70.7	304	1,857	454	567
California	817	89.9	724	88.6	1,851	16,244	12,293	54,039
Tot. U. S. B. of M. basis Sept. 12, 1942	4,800	85.6	3,710	77.3	11,255	†81,758	43,567	78,633
Tot. U. S. B. of M basis Sept. 5, 1942	4,800	85.6	3,656	76.2	11,232	80,356	42,819	78,267
U. S. Bur. of Mines basis Sept. 13, 1941			4,063		13,725	79,485	48,953	94,560

*At the request of the Office of Petroleum Coordinator.

†Finished 73,127,000 barrels; unfinished 8,631,000 barrels.

‡At refineries, at bulk terminals, in transit, and in pipe lines.

Labor Bureau Reports Continued Farm Price Increases Raises Wholesale Index

The Bureau of Labor Statistics, U. S. Department of Labor, announced on Sept. 17 that continued strength in agricultural markets during the week ended Sept. 12 brought prices of farm products and foods to new high levels unequaled since the autumn of 1929. The rise in prices of farm products amounted to 0.5% and of foods, to 0.2%. Quotations for industrial products were for the most part unchanged, and the Bureau's comprehensive wholesale price index of nearly 900 commodities rose slightly—0.1%—to reach 99.2% of its 1926 average.

The Labor Bureau's announcement further explained:

"Farm Products and Foods — The advance in prices for farm products during the week was led by grains, with increases amounting to 3% for rye, more than 2% for wheat, and about 1% for barley. These high levels have been maintained through Sept. 16. Corn and oats were slightly lower. Substantial increases were also reported for numerous other farm products, including tobacco and various fruits and vegetables. Higher prices for heavy hogs, and continued gains for poultry and calves were more than balanced by declines ranging from 2 to 4% for cows, steers, and sheep, and average quotations for livestock and poultry as a group were slightly lower. Quotations for cattle feed rose 0.4% on the average as the result of higher prices for bran and middlings. Cotton prices declined slightly, up to Sept. 8, but strengthened later in the week.

"Prices for foods in primary markets also rose on a fairly broad scale. Substantial advances were reported for cereals, eggs, fruits and vegetables, fresh pork, cottonseed oil, and soybean oil. Increases amounted to 1.2% for eggs, 2% for wheat flour, and more than 5% for rye flour. Potatoes advanced in several markets. Lemons, oranges, and apples were among the fruits for which quotations were higher.

"Industrial Commodities—Prices for industrial commodities continued to show the stability characteristic of these markets since imposition of the General Maximum Price Regulation in mid-May. The average price for all industrial products was unchanged during the week at a level slightly below that prevailing four months ago."

The following table shows index numbers for the principal groups of commodities for the past three weeks, for Aug. 15, 1942, and Sept. 13, 1941, and the percentage changes from a week ago, a month ago, and a year ago:

(1926=100)

Commodity groups	9-12 1942	9-5 1942	8-29 1942	8-15 1942	9-13 1941	Percentage changes to Sept. 12, 1942 from— 9-5 1942	8-15 1942	9-13 1941
All commodities	*99.2	*99.1	*98.9	*98.9	91.6	+0.1	+0.3	+ 8.3
Farm products	107.2	106.7	106.0	106.0	91.6	+0.5	+1.1	+17.0
Foods	101.6	101.4	100.7	100.5	89.1	+0.2	+1.1	+14.0
Hides and leather products	119.0	119.0	118.9	118.8	111.4	0	+0.2	+ 6.8
Textile products	96.7	96.7	96.6	96.5	88.7	0	+0.2	+ 9.0
Fuel and lighting materials	79.6	79.6	79.6	79.7	80.0	0	—0.1	— 0.5
Metals and metal products	*103.9	*103.9	*103.9	*103.9	98.7	0	0	+ 5.3
Building materials	110.3	110.3	110.3	110.2	105.9	0	+0.1	+ 4.2
Chemicals and allied products	96.2	96.2	96.2	96.3	87.3	0	—0.1	+10.2
Housefurnishing goods	104.1	104.1	104.1	104.1	97.9	0	0	+ 6.3
Miscellaneous commodities	88.6	88.6	88.6	89.0	84.9	0	—0.4	+ 4.4
Raw materials	101.6	101.2	100.8	100.8	90.0	+0.4	+0.8	+12.9
Semimanufactured articles	92.7	92.7	92.6	92.6	89.9	0	+0.1	+ 3.1
Manufactured products	*99.3	*99.2	*99.2	*99.1	93.0	+0.1	+0.2	+ 6.8
All commodities other than farm products	*97.5	*97.5	*97.4	*97.3	91.7	0	+0.2	+ 6.3
All commodities other than farm products and foods	*95.7	*95.7	*95.7	*95.8	91.6	0	—0.1	+ 4.5

*Preliminary.

Engineering Construction Gains 71% Over 1941 Week

Engineering construction volume for the week totals $206,028,000, more than double the $97,311,000 reported for the holiday-shortened preceding week, and 71% above the total for the corresponding 1941 week, according to "Engineering News-Record" on Sept. 17. Federal construction makes up 93% of the week's volume and tops a year ago by 134%. As a result of the Federal gain, public work is 99% higher than a year ago, despite the 66% drop in State and municipal construction. Private work is 59% lower than in the week last year.

The report also added:

The current week's volume brings 1942 construction to $7,484,907,000, an increase of 60% over the total for the 38-week period in 1941. Private construction, $467,121,000, is 50% below a year ago, but public work is up 88% due to the 136% gain in Federal construction.

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

	Sept. 18, 1941 (five days)	Sept. 10, 1942 (four days)	Sept. 17, 1942 (five days)
Total Construction	$120,315,000	$97,311,000	$206,028,000
Private Construction	20,766,000	15,920,000	8,415,000
Public Construction	99,549,000	81,391,000	197,613,000
State and Municipal	17,717,000	5,869,000	6,072,000
Federal	81,832,000	75,522,000	191,541,000

In the classified construction groups, gains over the short preceding week are in waterworks, sewerage, bridges, commercial and public buildings, earthwork and drainage, streets and roads, and unclassified construction. Increases over the 1941 week are in waterworks, sewerage, commercial and public buildings, streets and roads, and unclassified construction. Subtotals for the week in each class of work are: waterworks, $7,187,000; sewerage, $1,954,000; bridges, $672,000; industrial buildings, $942,000; public buildings, $101,875,000; commercial buildings, $7,441,000; earthwork and drainage, $2,297,000; streets and roads, $18,521,000, and unclassified construction, $65,139,000.

New capital for construction purposes for the week totals $2,293,000. This compares with $8,863,000 reported for the corresponding week last year. The current week's new financing is made up of $778,000 in State and municipal bond sales, $515,000 in corporate security issues, and $1,000,000 in RFC loans for public work.

New construction financing for the year to date, $9,527,250,000, is 63% higher than the $5,851,527,000 reported for the 38-week period a year ago.

Employment Rises To New Level In July Reaching Record Peak Of 57.2 Million

Non-agricultural employment rose more rapidly during July than during any other month since Pearl Harbor, according to the National Industrial Conference Board.

A net gain of fully 550,000 during the month brought total employment to the all-time high of 57,200,000, including the armed forces. This is 3,600,000 above the figure for July, 1941, and nearly 10,000,000 above that for the corresponding month in 1940. Agricultural employment was seasonally lower in July, but even so, total employment, including that in agriculture, continued its advance which has been unbroken since the first of this year.

The Conference Board announcement further stated:

"For the third successive month further inroads were made upon the nation's labor reserve, as employment continued to advance beyond the number of persons normally in the labor force. Employment exceeded the economic labor force in July by almost 2,000,000. Only during World War I was there a greater reversal of the demand-supply ratio for manpower. In 1918, employment averaged fully 3,000,000 more than the peacetime labor force.

"During the first half of the year gains in employment were heavily influenced by the seasonal expansion of farm operations. About 60% of the 6,000,000 rise in employment in those months can be attributed to this factor. Unlike the preceding months the rise in July developed despite a lower level of farm employment. The number at work on farms fell off by almost 335,000 during the month. Non-agricultural employment and military inductions, however, increased by nearly 900,000, the largest gain reported in any other single war month. The level of employment in each of the five basic industrial groups was higher than in June. Together, these groups took on fully 350,000 new workers, three of every four being added to manufacturing payrolls alone. Employment in the service industries and the armed forces rose by 600,000 during the month.

"Employment gains in manufacturing were most pronounced in the durable goods group. The number of wage earners in the automotive industry increased from 697,000 in April to 824,000 in July and is only 58.8% of an anticipated peak of 1,400,000. Further gains were also reported in shipbuilding, aircraft and other direct war industries.

"By July almost 2,500,000 persons were on the civilian payrolls of the regular Federal services (executive, legislative and judicial). Such employment was increased by 8% during the month and has almost doubled during the past year. The current number is almost three times as great as in 1937 and fully four times as large as in 1933.

"Only a negligible part of farm production has as yet been left unharvested because of the unavailability of labor. While total farm employment was about 3% lower than in June, it continued slightly higher than the corresponding month in 1941. The number of hired workers has been steadily augmented in the face of the lowest level of farm labor supply on record. All of the shrinkage in farm personnel in July was confined to farm family employment which dipped about 500,000 below the preceding month.

"War dislocations continue to reduce the number on payrolls in trade and distribution. In July, about 100,000 workers were dropped while total employment was about 335,000 lower than in 1941. Reductions in selling staffs in the automotive and hard-goods groups were further augmented by seasonal curtailment in apparel distribution.

"Emergency employment in WPA, CCC and NYA (out-of school) has dropped off sharply in the war months. The reduction of almost 300,000 in July was the greatest in recent months and lowered the total number on work relief to 655,000 as against 1,500,000 a year ago and the all-time high of 4,200,000. CCC enrollees have been cut from 115,000 at the start of the year to 8,000, WPA workers from slightly above a million to 525,000 and NYA recipients from 233,000 to 122,000."

Named Aide To Winant

The State Department in Washington announced on Sept. 14 the appointment of Winfield W. Riefler, economist of the Board of Economic Warfare, as special assistant to Ambassador John G. Winant in London, with the rank of Minister. Mr. Riefler, who already has arrived in London, will supervise the activities of the economic warfare division of the American Embassy.

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 Sept. 15. Following is the tabulation issued by the Stock Exchange:

Company and Class of Stock—	Shares Previously Reported	Shares Per Latest Report	
Allegheny Ludlum Steel Corp., common	1,221	2,196	(1)
Allied Mills, Inc., common	304,418	304,441	
Armour & Co., 7% preferred	4,680	4,687	
Associates Investment Co., common	23,520	24,657	
5% cumulative preferred	1,790	2,293	
Atlantic Gulf & West Indies Steamship Lines, 5% preferred	2,900	18,258	(2)
Atlas Corp., common	54,881	55,103	
6% preferred	250	1,063	
Atlas Powder Co., common	9,108	9,114	
Belding Heminway Co., common	56,532	56,832	
Beneficial Industrial Loan Corp., common	2,415	317,404	(3)
Prior preferred	----	5,322	(3)
Bucyrus-Erie Co., 7% preferred	11,199	11,269	
Case (J. I.) Co., common	1,715	1,707	
7% preferred	5,605	5,855	
Chicago Yellow Cab Co., Inc., capital	30,665	31,365	
Consolidated Oil Corp., common	3,500	97,400	
Cuban-American Sugar Co. (The), 5½% conv. preferred	18,188	19,388	
7% cumulative preferred	10,413	10,530	
Davega Stores Corp., common	10,450	10,550	
5% cumulative preferred	----	----	(4)
Detroit Edison Co. (The), common	6,055	5,970	
Distillers Corp.-Seagrams, Ltd., cumul. pref., 5% series	----	----	(5)
Firestone Tire & Rubber Co. (The), common	319,144	319,164	
Fruehauf Trailer Co., common	1,294	1,333	
General Printing Ink Corp., $6 preferred	3,023	3,063	
General Realty & Utilities Corp., $6 preferred	2,232	----	(6)
General Shoe Corp., common	2,896	2,897	
Gillette Safety Razor Co., $5 convertible preferred	8,249	9,049	
Goodyear Tire & Rubber Co. (The), $5 cumul. conv. pref.	16,665	17,965	
Gotham Hosiery Co., Inc., 7% cum. pfd.	----	----	(7)
Hanna (M. A.) Co. (The), $5 cumulative preferred	650	700	
Household Finance Corp., common	12,883	14,383	
Howe Sound Co., common	29,391	29,691	
Insuranceshares Certificates, Inc., common	----	----	(8)
Jewel Tea Co., Inc., common	2,890	2,789	
4½% cumulative preferred	100	300	
Jones & Laughlin Steel Corp., common	----	----	(9)
5% cumulative preferred "A"	1,200	----	(9)
5% cumulative preferred "B"	1,400	----	(9)
Keith-Albee-Orpheum Corp., 7% cumulative conv. pref.	700	----	(6)
Link Belt Co., common	33,604	11,207	
Madison Square Garden Corp., capital	22,400	22,500	
Mead Corp. (The), $6 cum. pfd. series "A"	681	682	
National Cylinder Gas Co., common	3,705	4,205	
Newport News Shipbuild'g & Dry Dock Co., $5 cum. cv. pfd.	3,900	4,100	
Petroleum Corp. of America, capital	2,400	3,200	
Revere Copper & Brass, Inc., 5¼% cumlative preferred	----	----	(10)
7% cumulative preferred	----	----	(11)
Rustless Iron and Steel Corp., common	339	340	
Safeway Stores, common	15,096	15,097	
Schenley Distillers Corp., 5¼% cum. pfd.	300	1,120	
Seaboard Oil Co., capital	16,300	16,700	
Shattuck (Frank G.) Co., common	142,400	160,400	
Sheaffer (W. A.) Pen Co., common	4,518	4,575	
Squibb (E. R.) & Sons, $5 cum. pfd. "A"	----	10	
Superheater Co. (The), common	98,050	98,450	
Swift & Co., capital	77,895	77,811	
Thermoid Co., convertible preferred	340	----	(12)
Transamerica Corp., capital	1,095,500	1,098,200	
Union Bag & Paper Corp., common	4,200	6,200	
United Aircraft Corp., 5% cumulative preferred	----	700	
White (S. S.) Dental Mfg. Co. (The), capital	1,463	1,443	
Wilcox (H. F.) Oil & Gas Co., common	65,450	76,221	(13)
Willys-Overland Motors, Inc., 6% cumulative conv. pref.	23,500	34,300	

NOTES

(1) 1,700 shares acquired and 725 shares distributed to employees as compensation.
(2) 15,358 shares acquired as result of request for tenders.
(3) Increases resulting from request for tenders.
(4) 3,000 shares acquired and retired.
(5) 930 shares acquired and retired.
(6) Retired.
(7) 3,306 shares acquired and retired.
(8) 1,700 shares acquired and retired.
(9) Previous balances of preferred shares represented borrowed stock returned to shareholders during August. 52 shares of preferred "A", 52 shares of preferred "B", and 213 shares of common stock acquired in August and transferred to dissenting shareholders of The Otis Steel Co.
(10) 1,790 shares acquired and retired.
(11) 1,320 shares acquired and retired.
(12) 584 shares acquired; 924 shares retired.
(13) 10,771 shares acquired since Jan. 1, 1942.

The New York Curb Exchange issued on Sept. 15 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	700	900
American General Corp., common	357,469	357,471
American Writing Paper Corp., common	16,062	18,462
Beaunit Mills, Inc. ($1.50 conv. pfd.)	None	6,221
Crown Central Petroleum Corp. common	576	578
Dejay Stores, Inc. common	9,636	9,936
Dennison Manufacturing Co., debenture stock	8,449	8,469
Prior preferred	6,623	6,644
Detroit Gasket & Mfg Co., 6% preferred	12,166	12,466
Esquire, Inc. capital	None	5,000
Interstate Hosiery Mills, Inc., capital	7,945	8,895
Lane Bryant, Inc., 7% preferred	32	58
Mangel Stores Corp., $5 conv. pfd.	1,600	1,630
New York Merchandise Co., Inc., common	97,828	98,128
Niagara Share Corp of Maryland, A preferred	4,676	4,836
B common	140,981	142,081
Oilstocks, Ltd., capital	504	604
Seton Leather Co., common	7,500	7,700
Sterchi Bros. Stores, Inc., 6% 1st pfd.	86	161
5% 2nd preferred	170	195
Sterling, Inc., common	57,650	61,800
Sunray Oil Corp., 5½% convertible preferred	985	1,250
United Cigar-Whelan Stores Corp., common	12,135	12,137
Wilson-Jones Co., common	8,000	9,000

August Department Store Sales In New York Federal Reserve District 9% Below Year Ago

The Federal Reserve Bank of New York announced on Sept. 19 that August sales of department stores in the Second (New York) Federal Reserve District decreased 9% a year ago. The combined sales for January through August, however, are 7% higher than in the same period last year. Stocks of merchandise on hand in department stores at the end of August were 59% above August, 1941.

The apparel stores in the New York Reserve District reported a loss of 8% in net sales in August. Their stocks on hand at the close of the month were 36% above last year.

The following is the bank's tabulation:

DEPARTMENT STORE TRADE BY MAJOR LOCALITIES—AUGUST, 1942
Second Federal Reserve District

Department Stores—	Percentage Changes from a Year Ago —Net Sales— August	January through August	Stock on Hand End of Month
New York City	— 8	+ 7	+63
Northern New Jersey	—15	+ 5	+61
Newark	—11	+ 7	+62
Westchester and Fairfield Counties	— 9	+11	+38
Bridgeport	— 7	+13	+50
Lower Hudson River Valley	—11	+ 2	+26
Poughkeepsie	— 6	+ 7	----
Upper Hudson River Valley	—19	— 2	+39
Albany	—26	— 8	----
Central New York State	— 2	+11	+55
Mohawk River Valley	+12	+23	+94
Syracuse	— 7	+ 7	+44
Northern New York State	—14	— 7	----
Southern New York State	—10	+ 8	+44
Binghamton	—13	+ 5	----
Elmira	—10	+13	----
Western New York State	— 7	+12	+51
Buffalo	— 7	+14	+49
Niagara Falls	+18	+34	+29
Rochester	— 7	+ 9	+60
All department stores	— 9	+ 7	+59
Apparel stores	— 8	+ 8	+36

INDEXES OF DEPARTMENT STORE SALES AND STOCKS
Second Federal Reserve District
[1923-25 average = 100]

	1941 August	1942 June	1942 July	1942 August
Sales (average daily), unadjusted	100	92	81	93
Sales (average daily), seasonally adjusted	r132	r97	114	123
Stocks, unadjusted	98	158	156	162
r Stocks, seasonally adjusted	102	163	168	165

r Revised.

Bankers Dollar Acceptances Outstanding On August 31 Decline To $139,304,000

The volume of bankers' dollar acceptances outstanding on Aug. 31 totaled $139,304,000, a decrease of $16,998,000 from the July 31 figure and a new low for the last 25 years, according to the monthly report issued Sept. 16 by the Acceptance Analysis Unit of the Federal Reserve Bank of New York. The total amount of acceptances outstanding on Aug. 31 was $58,168,000 below a year ago.

Only credits based on goods stored in or shipped between foreign countries was higher on Aug. 31 than a month and a year ago. All other divisions of credit were lower, with the exception of domestic shipments which were higher than a year ago.

The Reserve Bank's report follows:

BANKERS' DOLLAR ACCEPTANCES OUTSTANDING—UNITED STATES
BY FEDERAL RESERVE DISTRICTS

Federal Reserve District—	Aug. 31, 1942	July 31, 1942	Aug. 30, 1941
1 Boston	$25,160,000	$30,516,000	$25,775,000
2 New York	85,152,000	94,804,000	124,002,000
3 Philadelphia	7,727,000	8,906,000	11,063,000
4 Cleveland	3,562,000	2,714,000	3,972,000
5 Richmond	1,125,000	1,218,000	225,000
6 Atlanta	1,684,000	1,886,000	1,380,000
7 Chicago	4,385,000	4,011,000	7,680,000
8 St. Louis	296,000	376,000	481,000
9 Minneapolis	102,000	94,000	122,000
10 Kansas City	------	------	------
11 Dallas	318,000	607,000	355,000
12 San Francisco	9,793,000	11,170,000	22,417,000
Grand Total	$139,304,000	$156,302,000	$197,472,000

Decrease for month, $16,998,000 | Decrease for year, $58,168,000

ACCORDING TO NATURE OF CREDIT

	Aug. 31, 1942	July 31, 1942	Aug. 30, 1941
Imports	$77,952,000	$91,515,000	$113,899,000
Exports	8,071,000	8,438,000	20,694,000
Domestic shipments	13,249,000	14,110,000	10,865,000
Domestic warehouse credits	28,228,000	31,045,000	37,645,000
Dollar exchange	331,000	396,000	3,098,000
Based on goods stored in or shipped between foreign countries	11,473,000	10,798,000	11,271,000

BILLS HELD BY ACCEPTING BANKS

Own bills $71,261,000 Bills of others $37,073,000 Total $108,334,000

Decrease for month, $10,382,000

Current Market Rates on Prime Bankers' Acceptances, Sept. 16, 1942

Days	Dealers' Buying Rates	Dealers' Selling Rates
30	½	7/16
60	½	7/16
90	½	7/16
120	9/16	½
150	5/8	9/16
180	5/8	9/16

The following table, compiled by us, furnishes a record of the volume of bankers' acceptances outstanding at the close of each month since Sept. 30, 1939:

1939—		1940—		1941—	
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—		1942—	
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
Aug. 31	181,813,000	Aug. 30	197,472,000	Aug. 31	139,304,000

New Chinese Envoy

The appointment of Dr. Wei Tao-ming as Chinese Ambassador to the United States, succeeding Dr. Hu Shih, was recently announced by the Executive Yuan, central governing agency of the Chinese Government. Dr. Wei, who was removed as Ambassador to the Vichy Government in order to accept the appointment, was formerly Chinese Minister of Justice and Mayor of Nanking.

Dr. Hu had served four years in the Washington diplomatic post. He was recalled to China to became a special adviser to the Cabinet at the suggestion of Generalissimo Chiang Kai-shek.

NY Farm Credit School To Be Held Oct. 5-6

The third Farm Credit School, a non-profit educational project sponsored by the New York State Bankers Association in cooperation with the New York State College of Agriculture, will be held at the Hotel Syracuse, Syracuse, Oct. 5 and 6, it was announced Sept. 14 by John P. Myers, President of the Association. The school is designed to promote among commercial bankers a wider appreciation and a more sympathetic understanding of the credit needs of New York State farmers.

Lectures and panel discussions on farm financing and the effects of the war on the farmer will feature the school's seven sessions. Among the chief speakers will be: Dr. William I. Myers, Head, Department of Agricultural Economics and Farm Management, and Stanley J. Brownell, Professor, Department of Animal Husbandry, New York State College of Agriculture; A. G. Brown, Deputy Manager, Agricultural Credit Department, American Bankers Association; Victor G. Gilpatrick, Vice-President, Production Credit Corporation, Springfield, Mass.; Dr. Willard E. Atkins, Chairman, Department of Economics, Washington Square College, New York University; Charles H. Schoch, Deputy Superintendent, New York State Banking Department, and Nicholas A. Jamba, Manager, Agricultural Department, National Bank and Trust Co., Norwich, and Chairman of Committee on Agriculture, New York State Bankers Association.

There will be two panel discussions, one on meeting the shortage of farm labor and the other on the international food situation. The sessions will also include lectures on the artificial insemination program, a visit to the breeding barns at Syracuse University, farm loan advertising fundamentals and banking department standards as applied to farm credit.

Home Financing Loans In July At High Level

Increases in July in the money provided to build war housing and for remodeling and repairing existing dwellings mainly accounted for the largest total volume of advances by savings, building and loan associations in three months, the United States Savings and Loan League, Chicago, reported on Sept. 12. These thrift and home financing institutions in July lent $95,797,000 which was 1.81% more than in June, and their construction loans, all for war housing, were some $2,000,000 greater in July than in June.

Morton Bodfish, Executive Vice-President of the League, showed that while home purchase loans continued to constitute the bulk of lending in July, the associations placed $1 out of every $4.48 in either new housing to take care of war workers or repairing existing houses to keep them livable for the duration. The latter expenditure, he pointed out, is in line with the current philosophy of salvage and saving.

July made the fourth consecutive month in which home purchase loans by the associations have been over $50,000,000 in volume. The total of purchase loans for April through July, the first period during which the effect of residential building restrictions on the market for existing homes could be measured, was within 2.4% of the volume for the like period of 1941, the peak post-depression year in lending. According to the League official, there is a natural tendency for people in times of rising prices to invest in durable goods such as real property.

Federal Reserve August Business Indexes

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

BUSINESS INDEXES

1935-39 average = 100 for industrial production and freight-car loadings; 1923-25 average = 100 for all other series

	Adjusted for —Seasonal Variation—			Without —Seasonal Adjustment—		
	Aug. 1942	July 1942	Aug. 1941	Aug. 1942	July 1942	Aug. 1941
Industrial production—						
Total	†183	180	161	†186	181	163
Manufactures—						
Total	†191	188	166	†195	189	167
Durable	†254	250	199	†257	252	199
Nondurable	†140	138	139	†144	139	142
Minerals	†135	132	133	†138	132	135
Construction contracts, value—						
Total	†171	206	152	†183	232	159
Residential	†57	74	112	†57	75	111
All other	†264	313	184	†286	360	199
Factory employment—						
Total	*	143.7	133.3	*	142.2	133.1
Durable goods	*	161.8	141.5	*	160.9	138.7
Nondurable goods	*	126.4	125.5	*	124.4	127.7
Factory payrolls—						
Total	---	---	---	*	204.3	158.1
Durable goods	---	---	---	*	252.3	177.6
Nondurable goods	---	---	---	*	150.5	136.3
Freight-car loadings	143	142	139	144	142	140
Department store sales, value	†128	121	134	†101	83	106
Department store stocks, value	*	138	87	*	124	84

*Data not yet available. †Preliminary or estimated.

Note—Production, carloadings, and department store sales indexes based on daily averages. To convert durable manufactures, non-durable manufactures and minerals indexes to points in total index, shown in Federal Reserve Chart Book, multiply durable by .379, non-durable by .469, and minerals by .152.

Construction contract indexes based on three-month moving averages, centered at second month, of F. W. Dodge data for 37 Eastern States. To convert indexes to value figures, shown in the Federal Reserve Chart Book, multiply total by $410,269,000, residential by $184,137,000, and all other by $226,132,000.

Employment index, without seasonal adjustment, and payrolls index compiled by Bureau of Labor Statistics.

INDUSTRIAL PRODUCTION
(1935-39 average = 100)

	Adjusted for —Seasonal Variation—			Without —Seasonal Adjustment—		
	Aug. 1942	July 1942	Aug. 1941	Aug. 1942	July 1942	Aug. 1941
Manufactures—						
Steel	216	221	197	216	221	197
Open hearth & Bessemer	176	179	172	176	179	172
Electric	503	519	375	503	519	375
Machinery	†294	287	225	†294	287	225
Transportation equipment	†453	425	241	†453	425	221
Non-ferrous metals & products	†193	191	189	†193	191	189
Lumber and products	†127	136	140	†138	140	151
Lumber	†125	130	134	†140	141	148
Furniture	†131	147	152	†135	137	157
Stone, clay, & glass products	*	134	154	*	152	174
Cement	160	150	148	195	186	181
Polished plate glass	36	49	133	30	32	109
Textiles and products	†156	154	154	†156	154	154
Cotton consumption	169	166	160	160	166	160
Rayon deliveries	169	168	170	169	168	170
Wool textiles	*	159	166	*	159	166
Leather products	†107	117	122	†114	113	130
Tanning	*	117	124	*	112	120
Cattle hide leathers	*	143	141	*	133	134
Calf and kip leathers	*	79	103	*	87	108
Goat and kid leathers	*	79	97	*	78	95
Shoes	†101	117	121	†114	114	137
Manufactured food products	†149	143	132	†172	156	152
Wheat flour	105	106	98	106	105	99
Meat packing	†155	146	134	†134	138	116
Other manufactured foods	†153	147	135	†181	157	159
Tobacco products	130	121	118	135	131	122
Cigars	112	109	109	115	113	113
Cigarettes	152	136	129	160	153	136
Manufactured tobacco & snuff	88	89	96	89	91	96
Paper and products	*	127	147	*	122	146
Paperboard	121	115	161	123	109	163
Newsprint production	*	103	113	*	101	110
Printing and publishing	†108	106	129	†100	96	121
Newsprint consumption	108	103	109	95	90	96
Petroleum and coal products	*	117	130	*	118	131
Petroleum refining	*	109	126	*	110	128
Gasoline	†106	102	126	†109	105	130
Fuel oil	*	129	127	*	127	124
Lubricating oil	*	117	132	*	115	131
Kerosene	*	103	116	*	97	111
Coke	166	165	154	166	165	154
Byproduct	156	155	146	156	155	146
Beehive	497	499	‡478	497	499	‡478
Chemicals	†168	172	145	†165	165	142
Minerals—						
Fuels	†131	128	130	†128	121	126
Bituminous coal	†152	160	150	†140	141	138
Anthracite	†160	156	168	†118	122	124
Crude petroleum	†120	112	119	†124	112	122
Metals	†157	157	148	†199	198	187
Iron ore	240	240	202	387	404	335

*Data not yet available. †Preliminary or estimated. ‡Revised.

FREIGHT-CAR LOADINGS
(1935-39 average = 100)

Coal	154	155	158	136	132	139
Coke	208	205	‡198	175	177	167
Grain	106	95	103	129	138	125
Livestock	106	90	84	100	76	80
Forest products	165	172	152	173	173	160
Ore	176	180	155	308	325	271
Miscellaneous	152	149	141	152	148	141
Merchandise, l.c.l.	57	57	99	57	57	99

‡Revised.

Note—To convert coal and miscellaneous indexes to points in total index, shown in the Federal Reserve Chart Book, multiply coal by .213 and miscellaneous by .548.

National Fertilizer Associaton Commodity Price Index Again Higher

Wholesale commodity prices last week were fractionally higher, according to the price index compiled by The National Fertilizer Association and made public on Sept. 21. In the week ended Sept. 19 this index advanced to 129.3 from 129.2 in the preceding week. It was 128.9 a month ago, and 116.7 a year ago, based on the 1935-1939 average as 100. The Association's report added:

The increase in the general level was due to higher prices for foodstuffs and gains in some industrial commodities. The food price index continued its upward trend, with price advances for butter, eggs, milk, flour, oranges, and soybean oil more than offsetting a decline in chicken prices. Although cotton was higher, a marked drop in grains and a moderate decline in livestock quotations were sufficient to cause a decrease in the farm products average. The fuel index moved to higher ground, due to an increase in the price of gasoline. Other group averages that advanced during the week were the textiles and building materials indexes, which rose fractionally.

During the week 16 price series included in the index advanced and 11 declined, the same as in the preceding week; in the second preceding week there were 17 advances and 7 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 Sept. 19 1942	Preceding Week Sept. 12 1942	Month Ago Aug. 15 1942	Year Ago Sept. 20 1941
25.3	Foods	131.8	131.0	128.5	113.2
	Fats and Oils	140.9	140.2	140.3	129.8
	Cottonseed Oil	153.9	153.9	158.4	157.9
23.0	Farm Products	139.4	140.1	139.4	120.5
	Cotton	178.9	178.4	174.6	165.2
	Grains	116.2	118.2	112.5	110.0
	Livestock	138.4	138.9	140.1	114.3
17.3	Fuels	119.3	118.8	120.2	110.8
10.8	Miscellaneous commodities	126.7	126.7	127.0	126.3
8.2	Textiles	147.6	147.4	146.9	139.5
7.1	Metals	104.4	104.4	104.4	103.8
6.1	Building materials	151.5	151.4	151.5	123.5
1.3	Chemicals and drugs	120.7	120.7	120.7	107.6
.3	Fertilizer materials	117.9	117.9	117.8	114.2
.3	Fertilizers	115.3	115.3	115.3	107.1
.3	Farm machinery	104.1	104.1	104.1	99.7
100.0	All groups combined	129.3	129.2	128.9	116.7

*Indexes on 1926-1928 base were: Sept. 19, 1942, 100.7; Sept. 12, 100.6, Sept. 20, 1941, 90.9.

Weekly Coal and Coke Production Statistics

The Bituminous Coal Division, U. S. Department of the Interior, in its latest report, states that because of the Labor Day holiday on Sept. 7, production of soft coal decreased in the week ended Sept. 12 to 10,400,000 net tons, a drop of 820,000 tons, or 7.2%, when compared with the preceding week. Output in the week ended Sept. 13, 1941 (which period did not include a holiday) was 11,483,000 tons. Total production of soft coal to date shows an increase of 17.2% over the corresponding period last year.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended Sept. 12 was estimated at 1,156,000 tons, a decrease of 84,000 tons (6.8%) from the preceding week. When compared with the output in the corresponding week of 1941, there was a decrease of 125,000 tons, or 9.8%. The calendar year to date shows a gain of 6.1% 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 Sept. 12 showed an increase of 8,000 tons when compared with the output for the week ended Sept. 5. The quantity of coke from beehive ovens decreased 22,800 tons during the same period.

ESTIMATED UNITED STATES PRODUCTION OF COAL, IN NET TONS WITH COMPARABLE DATA ON PRODUCTION OF CRUDE PETROLEUM (000 OMITTED)

Bituminous and lignite coal—	—Week Ended— Sept. 12, 1942	†Sept. 5, 1942	Sept. 13, 1941	—January 1 to Date— †Sept. 12, 1942	Sept. 13, 1941	Sept. 11, 1937
Total, incl. mine fuel	210,400	11,220	11,483	399,318	340,830	304,122
Daily average	2,080	1,870	1,914	1,869	1,602	1,425
*Crude petroleum—						
Coal equivalent of weekly output	6,251	5,899	6,461	225,636	218,911	201,688

*Total barrels produced during the week converted into equivalent coal assuming 6,000,000 Btu. per barrel of oil and 13,100 Btu. per pound of coal. Note that most of the supply of petroleum products is not directly competitive with coal (Minerals Yearbook, 1939, page 702). †Revised.

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE
(In Net Tons)

Penn anthracite—	—Week Ended— §Sept. 12, 1942	Sept. 5, 1942	Sept. 13, 1941	—Calendar Year to Date— §Sept. 12, 1942	Sept. 13, 1941	Sept. 14, 1929
*Total, incl. colliery fuel	1,156,000	1,240,000	1,281,000	42,192,000	39,752,000	48,710,000
†Commercial production	1,098,000	1,178,000	1,217,000	40,082,000	37,764,000	45,203,000
Beehive coke—						
United States total	138,700	161,500	133,700	5,510,100	4,481,200	4,871,600
By-product coke—						
United States total	1,219,100	1,211,100	‡	43,091,600	‡	‡

*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— Sept. 5, 1942	Aug. 29, 1942	Sept. 6, 1941	Sept. 7, 1940	Sept. 4, 1937	Sept. avge. ¶1923
Alaska	4	5	2	3	2	**
Alabama	364	376	152	246	247	406
Arkansas and Oklahoma	89	94	94	65	86	96
Colorado	152	150	131	114	113	214
Georgia and North Carolina	1	1	††	††	††	**
Illinois	1,270	1,215	1,019	826	959	1,587
Indiana	477	481	425	322	290	550
Iowa	50	45	38	49	60	117
Kansas and Missouri	167	185	138	105	112	168
Kentucky—Eastern	954	968	883	681	801	713
Kentucky—Western	263	243	180	132	166	248
Maryland	34	34	32	20	27	40
Michigan	9	6	12	7	2	27
Montana (bituminous and lignite)	83	77	54	42	52	68
New Mexico	34	35	21	17	33	56
North and South Dakota (lignite)	31	25	28	22	24	**27
Ohio	679	612	590	401	478	861
Pennsylvania (bituminous)	2,650	2,800	2,568	2,114	2,159	3,585
Tennessee	143	142	132	113	97	119
Texas (bituminous and lignite)	8	8	6	9	26	26
Utah	115	102	94	68	75	103
Virginia	389	416	378	259	283	245
Washington	41	37	32	31	38	58
*West Virginia—Southern	2,163	2,223	2,087	1,766	1,825	1,474
†West Virginia—Northern	893	889	779	564	518	857
Wyoming	157	161	133	107	107	165
‡Other Western States	††	††	††	1	††	**4
Total bituminous and lignite	11,220	11,330	10,010	8,084	8,580	11,814
§Pennsylvania anthracite	1,240	1,236	1,262	837	808	714
Total, all coal	12,460	12,566	11,272	8,921	9,388	12,528

*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.

The Stock Exchange Official Year-Book

The 1942 edition of the Stock Exchange Official Year-Book has just recently been released in this country. War-time conditions have again made preparation of this voluminous and most useful issue unusually difficult. Though the work of all concerned in its production has been hampered by the demands of national service and the exigencies of the censorship, the contents of this issue have not been as prejudicially affected as might have been feared, and both in scope and arrangement they follow the previous edition. In order to comply with the requirements of the Paper Control certain temporary excisions have again had to be made, including the special chapters, Lists of Brokers, General Information, Notices of Certain Enemy Securities and Particulars of Alterations to Capital made prior to February, 1940.

Recent information about securities situated in countries occupied by the enemy has been unobtainable and it has been found necessary in such cases to reproduce figures previously published.

In other respects the book, which contains 3,292 pages, follows the familiar lines of previous editions, and gives the origin, history and present position of all securities quoted on or known to the British Stock Exchanges. Of especial interest is a list of emergency addresses of companies, registrars, etc.

The current edition, which is priced at $25 (post and duty free) to Canada and the United States, is published under the sanction of the London Stock Exchange. Thomas Skinner & Co. Ltd. are publishers.

WPB Restricts Shoe Styles And Colors

In a move intended primarily to save leather by reducing the number of fancy shoes in the well dressed family's wardrobe, the War Production Board has prohibited the manufacture of two-color shoes and reduced the variety of colors and styles of footwear to be made for spring and summer 1943 consumption. No limit is placed on the production of permitted styles necessary to fill civilian needs.

The footwear conservation order (M-217) issued Sept. 10 by the WPB Director General for Operations will permit the manufacture of ample supplies of both street and dress shoes for men, women and children, but by limiting styles, and by limiting colors to six, it is expected to reduce the number of extra pairs of shoes bought by consumers.

At the same time, A. J. Spring, Chief of the Shoe Unit of the Leather and Shoe Section, WPB, requested shoe retailers to discourage unnecessary extra pair sales to consumers and to discontinue promotion directed to influence consumers to buy unneeded pairs of shoes.

Sole leather now being used extensively by the Armed Forces, including our Allies, has become the limiting factor in shoe production. Therefore, the order restricts excessive style and color variety for shoes for spring 1943 use because the sale of a wide variety of colors and styles of shoes increases the amount of sole leather tied up in dealers' inventories and little-used footwear on consumers' shelves.

The limitations placed on style and color do not apply to shoes in which leather or composition rubber soles are not used. Designers may think up new kinds of practical soles and create new fashions for next spring and summer which will save scarce materials and also have eye appeal.

Ask SEC For Hearing On Proxy Rule Change

The Commerce and Industry Association of New York on Sept. 10 asked the Securities and Exchange Commission to hold a public hearing before adopting proposed amendments to the Commission's stockholders' proxy rules under Section 14 of the SEC Act of 1934.

This action was taken after queries were received from member-firms. The proposed changes now are being studied by the Association's Special Committee on Reemployment of Men and Money of which Louis K. Comstock is Chairman.

In a letter to Milton V. Freeman, assistant to the general counsel of SEC, Thomas Jefferson Miley, Secretary of the Commerce and Industry Association, said: "As so much more is involved in these proposed changes than the mere regulation of proxies, and, as these proposed new rules are affected with so much public interest that their full implications should be generally understood by the public, we urge that you hold a public hearing at which all sides could be publicly presented, before these rules are adopted."

In view of the great pressure of war activities on business managements, making it practically impossible for any large number of them to give adequate consideration to the proposed amendments by Sept. 15, Mr. Miley urged that ample advance notice be given if a public hearing is scheduled.

Principal changes proposed are that all proxy statements sent to stockholders, and which must be cleared in advance with SEC, must include the following additional material:

(1) The equivalent of an annual report on the operations of the company which must meet with prior approval of SEC. (At the present time corporate annual reports to stockholders are not under the jurisdiction of SEC.)

(2) A statement of the name, salary, and other remuneration paid by the corporation in any manner to all officers and directors, if in excess of $25,000 in any one year.

(3) At the corporation's expense, to include in the proxy material sent all stockholders any proposal, by any stockholder, for any purpose, up to a maximum of 100 words.

The Commission's summary of proposed proxy rule changes appeared in these columns of Sept. 10, page 893.

Distribution Conference

The 14th annual Boston Conference on Distribution, a national forum on distribution problems, will be held at the Hotel Statler in Boston on Oct. 5 and 6. An important program of distinguished speakers on subjects affecting every business interest has been arranged. It is said that the forthcoming meeting will not be a "usual" conference. By means of the discussions, the Boston Conference hopes to stimulate sound thinking and policies which will enable business to meet the needs of our war effort and conditions to follow.

Among the speakers who will address the conference are Joseph B. Eastman, Director of the Office of Defense Transportation; Wayne C. Taylor, Under Secretary of Commerce; Harold Butler, British Minister to the United States; Sir Louis Beale of the British Supply Council in North America; Robert R. Nathan, Chairman of the Planning Committee of the War Production Board; David C. Prince, Vice-President of the General Electric Co., and Donald K. David, dean of the Harvard Graduate School of Business Administration.

Weekly Statistics Of Paperboard Industry

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

The members of this Association represent 83% of the total industry, and its program includes a statement each week from each member of the orders and production, and also a figure which indicates the activity of the mill based on the time operated. These figures are advanced to equal 100%, so that they represent the total industry.

STATISTICAL REPORTS—ORDERS, PRODUCTION, MILL ACTIVITY

Period	Orders Received Tons	Production Tons	Unfilled Orders Remaining Tons	Percent of Activity Current	Percent of Activity Cumulative
1942—Week Ended—					
May 2	135,273	152,569	371,365	90	99
May 9	130,510	143,427	360,221	86	99
May 16	119,142	141,745	336,530	82	98
May 23	120,224	140,650	316,443	81	97
May 30	113,059	132,901	288,516	77	96
June 6	110,226	120,374	283,390	69	95
June 13	115,300	125,016	274,512	72	94
June 20	98,766	117,924	248,594	69	93
June 27	104,178	120,359	231,368	72	92
July 4	94,257	100,337	223,809	59	91
July 11	92,481	77,996	236,536	52	90
July 18	103,559	114,917	226,341	71	90
July 25	112,513	120,982	219,700	74	89
Aug. 1	119,023	125,653	213,443	76	89
Aug. 8	114,969	121,035	208,769	75	88
Aug. 15	120,262	122,735	208,206	73	88
Aug. 22	124,763	119,299	213,890	74	87
Aug. 29	122,236	124,440	212,953	77	87
Sept. 5	129,486	124,580	218,539	78	87
Sept. 12	106,933	101,891	222,636	65	86

Note—Unfilled orders of the prior week plus orders received, less production, do not necessarily equal the unfilled orders at the close. Compensation for delinquent reports, orders made for or filled stock, and other items made necessary adjustments of unfilled orders.

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

The earnings of the United States railroads for the month of July have not only exceeded those of previous months of this year but have now attained a total that is the largest in the history of the railroads for any month in any year and are even larger than the previous peak attained in October, 1920, when the huge total of $633,852,568 was recorded.

As we explained in these columns before it was to be expected that the ratio of expenses to earnings was bound to rise at some future time, due to the hard usage the equipment of the railroads has been put to. This is evident to a considerable degree for the first time in the July figures. In that month the ratio of expenses to earnings rose to 70.35% in July, 1942, from 56.74% in July a year ago and from 60.68% in June of this year. Many other items of expenses such as wages, cost of equipment, etc., also contribute to the increase. The managers of the roads are to be congratulated for the way they have handled the many and various problems presented to them.

Gross earnings of the railroads of the United States in July were $665,180,069 against $485,398,030 in July last year, an increase of $179,782,039, or 37.04%. Net earnings for July reached $274,705,768 against $175,671,979 in July, 1941, a gain of $99,033,789, or 56.37%. We now give below the results for the month of July, 1941 and 1942, in tabular form:

Month of July—	1942	1941	Incr. (+) or Decr. (—) Amount	%
Mileage of 132 roads	231,047	232,270	— 1,223	— 0.53
Gross earnings	$665,180,069	$485,398,030	+$179,782,039	+37.04
Operating expenses	390,474,301	309,726,051	+ 80,748,250	+26.07
Ratio of expenses to earnings	(70.35%)	(56.72%)		
Net earnings	$274,705,768	$175,671,979	+ $99,033,789	+56.37

As we have seen, the gross earnings of the railroads increased 37.04% for the month of July. Now let us review those figures which form the foundation for the increase in railroad revenues. In order to show the relation of the trends of the general activity of business to the gross earnings of the railroads during the month under review, we have brought together in the subjoined table those figures which are representative of the activity in the more important industries together with those relating to livestock and grain receipts and revenue freight car loadings for the month of July of the current year in comparison with the corresponding month for the years 1941, 1940, 1932 and 1929:

July—	1942	1941	1940	1932	1929
Building ($000):					
†Constr. contracts awarded	943,796	577,392	398,673	128,769	652,436
Coal (net tons):					
‡Bituminous	47,700,000	44,080,000	35,890,000	17,857,000	41,379,000
§Pennsylvania anthracite	5,341,000	4,855,000	4,534,000	3,021,000	4,810,000
Freight Traffic:					
¶Carloadings, all (cars)	z4,185,096	z4,295,457	z3,540,377	z2,429,330	z5,265,998
††Livestock receipts:					
Chicago (cars)	5,827	6,117	6,102	9,786	18,736
Kansas City (cars)	3,165	2,376	2,604	4,520	7,522
Omaha (cars)	1,643	1,543	1,571	3,120	6,653
‡‡Western flour and grain receipts:					
Flour (000 barrels)	z1,942	z1,999	z1,986	z1,797	z2,031
Wheat (000 bushels)	z68,588	z117,417	z110,241	z43,835	z113,249
Corn (000 bushels)	z25,988	z25,689	z24,146	z8,865	z23,816
Oats (000 bushels)	z7,606	z12,604	z5,366	z8,651	z12,102
Barley (000) bushels)	z5,217	z7,598	z4,134	z789	z4,532
Rye (000 bushels)	z1,569	z4,667	z1,021	z900	z846
Iron and Steel (net tons):					
§§Steel ingot production	7,148,824	6,812,224	5,724,625	915,738	5,513,546
Lumber (000 feet):					
¶¶Production	z1,279,698	z1,334,123	z1,099,429	x413,701	z1,755,931
¶¶Shipments	z1,437,758	z1,417,270	z1,159,452	x454,458	z1,693,011
¶¶Orders received	z1,508,153	z1,530,528	z1,318,579	x449,710	z1,650,351

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 statistics compiled in the tabulation presented above reveals the fact that though most of the items listed were more active in comparison with the corresponding period of last year, a few of them showed downward trends in volume of activity. Construction contracts awarded increased $366,404,000 to $943,796,000. Bituminous, anthracite coal, and steel ingot production all reached new highs for the period with gains over the previous month of July of 3,620,000, 486,000 and 336,600 net tons, respectively. Livestock receipts showed a gain of 599 cars, while grain receipts with the exception of corn fell below their 1941 level. Car loadings dropped 110,361 cars, but as evidenced by the increase in revenues, there were more full loads than in 1941.

The total amount of major increases in both gross and net earnings reached a new high for the month of July with major gains aggregating $179,327,658 in gross and $99,934,077 in net. The Pennsylvania led in both gross and net listings with gains of $19,712,888 and $11,905,545. The Southern Pacific was second in both categories with respective gains in gross and net of $14,934,134 and $8,450,075, while the New York Central finished third in gross gains with $12,588,995 and the Union Pacific third in net with an increase of $7,959,599. In addition 81 more roads in the gross classification and 66 roads in the net category rounded out the list of roads being able to show gains of $100,000 or more over July of the preceding year. In reference to the decreases, let it suffice to say that the Virginian led both gross and net with decreases of $476,773 and $559,040.

Without further comment, we now present our usual tabulation showing the major changes of $100,000 or more in both gross and net, whether they be increases or decreases, for the separate roads and systems:

PRINCIPAL CHANGES IN GROSS EARNINGS FOR THE MONTH OF JULY

	Increase		Increase
Pennsylvania	$19,712,888	Western Maryland	$882,226
Southern Pacific (2 roads)	14,934,134	Gulf Mobile & Ohio	873,064
New York Central	*12,588,995	Alabama Great Southern	846,360
Union Pacific	12,428,310	N. Orl. Tex. & Mex. (3 rds.)	820,720
Atchison Topeka & Santa Fe	11,583,242	International Great Northern	698,839
Baltimore & Ohio	7,090,813	New Orleans & Northeastern	672,600
Missouri Pacific	5,978,077	Colorado & Southern (2 rds.)	665,362
Southern	5,780,416	Cinc. N. Orl. & Tex. Pac.	628,691
Illinois Central	4,688,593	Central of Georgia	599,017
N. Y. N. H. & H.	4,683,505	Louisiana & Arkansas	589,933
Louisville & Nashville	4,198,931	Chicago & East Illinois	485,646
Seaboard Air Line	4,027,531	Spokane Portland & Seattle	446,540
Atlantic Coast Line	3,959,855	Elgin Joliet & Eastern	435,269
Chicago Burlington & Quincy	3,132,966	Pere Marquette	339,542
New York Chicago & St L.	3,011,767	Georgia	320,270
Chicago Rock Island & Pac.	2,943,342	Chicago Great Western	301,072
St. Louis Southwestern	2,485,506	Wheeling & Lake Erie	291,772
Northern Pacific	2,457,297	Norfolk Southern	248,852
St. Louis-San Fran. (2 roads)	2,335,968	Pittsburgh & Lake Erie	229,323
Denver & Rio Grande West.	2,310,307	New York Ontario & Western	196,259
Chesapeake & Ohio	2,265,093	Chi. St. P. Minn. & Omaha	195.079
Texas & Pacific	2,262,371	Penn-Reading Seashore Lines	184,942
Reading	2,254,805	Western Ry. of Alabama	180,196
Lehigh Valley	2,230,082	Grand Trunk Western	164,616
Chicago & North Western	2,086,807	Maine Central	155,343
Erie	2,079,880	Atlanta & West Point	142,580
Wabash	2,023,036	Georgia Southern & Florida	139,845
Chi. Milw. St. Paul & Pac.	2,019,748	Pitts. & West Virginia	135,416
Great Northern	1,908,541	Illinois Terminal	134,265
Yazoo & Mississippi Valley	1,762,196	Northwestern Pacific	125,324
Kansas City Southern	1,530,800	Atlanta Birmingham & Coast	116,349
Missouri-Kansas-Texas	1,440,095	Maine Central	110,132
Alton	1,231,586	Gulf & Ship Island	105,009
Richmond Fred. & Potomac	1,213,702	Clinchfield	101,810
Boston & Maine	1,201,940	Okla. City-Ada-Atoka	101,455
Duluth Missabe & Iron Range	1,075,812		
Central of New Jersey	1,068,710	Total (84 roads)	$179,327,658
Norfolk & Western	1,014,987		
Western Pacific	1,014,774		Decrease
Florida East Coast	1,012,388	Virginian	$476,773
Delaware Lack. & Western	939,651	New York Connecting	201,045
Nashville Chatt. & St. Louis	909,912	Detroit Toledo & Ironton	100,329
Long Island	895,789		
Delaware & Hudson	888,792	Total (3 roads)	$778,147

*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 $12,818,318.

PRINCIPAL CHANGES IN NET EARNINGS FOR THE MONTH OF JULY

	Increase		Increase
Pennsylvania	$11,905,545	N. Orl. Tex. & Mex. (3 rds.)	$504,122
Southern Pacific (2 roads)	8,450,075	Colorado & Southern (2 rds.)	494,468
Union Pacific	7,959,599	New Orleans & Northeastern	453,644
Atchison Topeka & Santa Fe	7,328,793	International Great Northern	445.863
New York Central	*6,876,500	Boston & Maine	404,752
Missouri Pacific	4,143,179	Chi. Milw. St. P. & Pac.	398,467
Southern	3,528,336	Central of Georgia	389,842
Baltimore & Ohio	3,132,338	Western Maryland	379,483
N. Y. N. H. & H.	3,050,087	Nash. Chatt. & St. Louis	373,125
Seaboard Air Line	2,574.873	Delaware Lack. & Western	370,300
Atlantic Coast Line	2,403,826	Cinc. N. Orl. & Tex. Pac.	325,366
Louisville & Nashville	2,323,702	Spokane Portland & Seattle	308,344
Illinois Central	2,132,759	Louisiana & Arkansas	299,569
New York Chicago & St. L.	1,861,049	Central of New Jersey	276,607
Chicago Rock Island & Pac.	1,808,502	Chicago & East Illinois	254,225
St. Louis Southwestern	1,790,396	Delaware & Hudson	215,380
Chicago Burlington & Quincy	1,727,420	Georgia	209,195
Denver & Rio Grande West.	1,624,398	Wheeling & Lake Erie	176,167
Texas & Pacific	1,501,027	Norfolk Southern	149,069
Reading	1,465,180	Chicago Great Western	141,195
Yazoo & Mississippi Valley	1,345,406	Chi. St. P. Minn. & Omaha	140,404
Lehigh Valley	1,310,609	Grand Trunk Western	133,217
St. Louis-San Fran. (2 rds.)	1,303,506	Missouri-Kansas-Texas	129,971
Wabash	1,168,959	Western Ry. of Alabama	120,060
Richmond Fred. & Potomac	919,699	Georgia Southern & Florida	111,493
Northern Pacific	856,847	Penn-Reading Seashore Lines	102,116
Alton	785,406		
Kansas City Southern	783,052	Total (69 roads)	$99,934,077
Florida East Coast	746,118		
Erie	724,544		Decrease
Chicago & North Western	718,620	Virginian	$559,049
Duluth Missabe & Iron Range	716,689	Norfolk & Western	424,192
Great Northern	715,815	Bessemer & Lake Erie	293,325
Chesapeake & Ohio	708,596	New York Connecting	234,478
Western Pacific	654,017	Minn. St. P. & S. S. Marie	167,764
Alabama Great Southern	550,914	Detroit Toledo & Ironton	128,280
Long Island	523,692		
Gulf Mobile & Ohio	504,560	Total (6 roads)	$1,807,079

*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 $6,914,979.

In order to indicate more clearly which sections of the country have been most active in contributing to the increased earnings, we now turn to our break-down of the results of the Nation as a whole into the geographical subdivisions, districts and regions. The Western District headed the districts in percentage gross gains with an increase of 41.59% and was followed closely by the Southern District with a gain of 41.07%. The Eastern District showed the smallest improvement, one of 31.15%. All three districts showed greater gains in net than in gross. In order consistent with that recorded in gross, the gains were 56.37%, 55.99%, and 49.79%. In reference to the regions, the Southwestern headed these subdivisions of the districts with an increase of 65.26%, followed by the Southern region, which recorded a 54.01% gain. The Southwestern and Southern regions were also first and second in the net category having respective gains of 119.22% and 94.21%.

For a detailed picture of the outline presented above, we now turn to our summary grouping of the roads. Our grouping, as formerly explained, is in conformity with the classifications set up by the Interstate Commerce Commission. For the boundaries of the various subdivisions consult the footnote attached to the following table:

SUMMARY BY GROUPS—MONTH OF JULY

District and Region	Gross Earnings 1942	1941	Inc. (+) or Dec. (—)	
	$	$	$	%
Eastern District—				
New England region (10 roads)	24,292,814	18,221,891	+ 6,070,923	+33.32
Great Lakes region (23 roads)	110,874,111	85,796,533	+ 25,077,578	+29.23
Central Eastern region (18 roads)	136,660,899	103,254,069	+ 33,406,830	+32.35
Total (51 roads)	271,827,824	207,272,493	+ 64,555,331	+31.15
Southern District—				
Southern region (26 roads)	89,826,323	58,326,112	+ 31,500,211	+54.01
Pocahontas region (4 roads)	32,180,536	28,163,527	+ 4,017,009	+14.63
Total (30 roads)	122,006,859	86,489,639	+ 35,517,220	+41.07
Western District—				
Northwestern region (15 roads)	72,180,262	61,448,702	+ 10,731,560	+17.46
Central Western region (16 roads)	141,516,774	95,303,492	+ 46,213,282	+48.49
Southwestern region (20 roads)	57,648,350	34,883,704	+ 22,764,646	+65.26
Total (51 roads)	271,345,386	191,635,898	+ 79,709,488	+41.59
Total all districts (132 roads)	665,180,069	485,398,030	+179,782,039	+37.04

District and Region	Mileage 1942	1941	Net Earnings 1942	1941	Incr. (+) or Dec. (—)	
Eastern District—			$	$	$	%
New England region	6,646	6,699	9,174,837	5,891,113	+ 3,283,724	+55.74
Great Lakes region	26,024	26,050	41,612,151	28,730,447	+12,881,704	+44.84
Central East. region	24,217	24,463	51,397,683	33,596,085	+17,801,598	+52.99
Total	56,887	57,212	102,184,671	68,217,645	+33,967,026	+49.79
Southern District—						
Southern region	37,697	38,040	38,242,073	19,691,030	+18,551,043	+94.21
Pocahontas region	6,057	6,086	15,240,374	14,595,311	+ 645,063	+44.20
Total	43,754	44,126	53,482,447	34,286,341	+19,196,106	+55.99
Western District—						
Northwestern region	45,610	45,514	29,665,790	25,848,009	+ 3,817,781	+14.77
Central West. region	55,888	56,363	63,376,678	35,461,694	+27,914,984	+78.72
Southwestern region	28,908	29,055	25,996,182	11,858,290	+14,137,892	+119.22
Total	130,406	130,932	119,038,650	73,167,993	+45,870,657	+62.69
Total all districts	231,047	232,270	274,705,768	175,671,979	+99,033,789	+56.37

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 fell off 59,007,000 bushels, to an aggregate of 108,968,000 bushels. Wheat was the chief contributing factor to this decrease, falling off 48,829,000 bushels. Oats receipts dropped to 7,606,000 bushels, while rye and barley also showed downward trends, though on a more moderate scale. Corn with an increase in receipts of 299,000 bushels was the only grain recording an improvement over the receipts of the 1941 period. Flour receipts dropped slightly from 1,999,000 barrels to 1,942,000 barrels in 1942.

The Western flour and grain movement is given in detail in the subjoined tabulation:

WESTERN FLOUR AND GRAIN RECEIPTS
Five Weeks Ended Aug. 1

(000) Omitted	Year	Flour (bbls.)	Wheat (bush.)	Corn (bush.)	Oats (bush.)	Rye (bush.)	Barley (bush.)
Chicago	1942	1,012	3,543	7,853	2,402	35	733
	1941	1,077	8,108	9,541	4,310	501	718
Minneapolis	1942	----	13,082	2,002	1,503	1,293	2,423
	1941	----	27,736	1,241	2,699	3,195	3,460
Duluth	1942	----	5,544	2,655	----	45	103
	1941	21	17,281	2,652	356	441	784
Milwaukee	1942	79	117	971	45	15	1,291
	1941	79	610	2,306	300	215	1,779
Toledo	1942	----	3,616	150	281	----	24
	1941	----	5,097	27	795	2	11
Indianapolis &	1942	----	7,312	3,436	1,208	40	11
Omaha	1941	25	12,009	2,636	1,597	94	60
St. Louis	1942	544	4,872	1,731	602	45	125
	1941	479	5,693	3,089	897	45	243
Peoria	1942	218	611	3,923	416	62	355
	1941	185	1,267	3,672	697	50	316
Kansas City	1942	89	19,594	2,027	674	6	----
	1941	133	29,555	153	490	----	----
St. Joseph	1942	----	2,330	501	329	4	6
	1941	----	2,122	180	323	----	----
Wichita	1942	----	7,346	3	----	----	----
	1941	----	7,486	----	----	----	----
Sioux City	1942	----	490	625	146	24	139
	1941	----	453	192	140	124	227
Detroit	1942	----	131	111	----	----	7
	1941	----	----	----	----	----	----
Total all	1942	1,942	68.588	25,988	7,606	1,569	5,217
	1941	1,999	117,417	25,689	12,604	4,667	7,598

WESTERN FLOUR AND GRAIN RECEIPTS
Seven Months Ended Aug. 1

(000 omitted)	Year	Flour (bbls.)	Wheat (bush.)	Corn (bush.)	Oats (bush.)	Rye (bush.)	Barley (bush.)
Chicago	1942	6,640	7,395	57,137	11,053	1,617	7,784
	1941	6,065	14,170	55,172	11,342	3,400	7,012
Minneapolis	1942	----	56,504	13,643	13,687	6,273	20,040
	1941	86	63,706	8,129	10,025	8,021	23,553
Duluth	1942	----	21,816	9,815	71	861	1,504
	1941	21	30,643	11,848	1,000	771	3,172
Milwaukee	1942	470	295	6,217	421	645	14,131
	1941	547	3,667	6,438	476	454	13,536
Toledo	1942	283	6,840	4,015	1,813	523	132
	1941	----	9,623	1,546	3,611	27	51
Indianapolis &	1942	----	13,224	29,728	6,825	247	45
Omaha	1941	25	19,507	19,847	4,407	339	98
St. Louis	1942	3,907	9,444	13,655	2,280	736	1,440
	1941	4,026	13,673	8,401	2,121	209	1,082
Peoria	1942	1,205	1,798	26,891	1,224	497	2,249
	1941	1,254	2,357	19,199	1,684	565	2,132
Kansas City	1942	495	39,624	19,815	2,504	6	----
	1941	802	64,358	3,868	1,272	----	----
St. Joseph	1942	----	3,814	3,148	1,801	4	6
	1941	----	3,296	1,142	1,223	----	----
Wichita	1942	----	13,277	24	2	----	----
	1941	----	17,243	----	----	----	10
Sioux City	1942	----	1,721	3,057	484	104	985
	1941	----	1,186	1,141	326	177	874
Detroit	1942	----	131	111	----	15	7
	1941	----	----	----	----	----	----
Total all	1942	13,000	175,883	187,256	42,165	11,528	48,323
	1941	12,826	243,429	136,731	37,487	13,963	51,520

In conclusion we now furnish our usual summary of the comparison of gross and net earnings of the railroads of the country for the month of July each year from 1942 back to and including 1909:

Month of July	Gross Earnings Year Given	Year Preceding	Inc. (+) or Dec. (—)	%	Mileage Year Given	Year Preced'g
1909	$219,964,739	$195,245,655	+$24,719,084	+12.66	234,500	------
1910	230,615,776	217,803,354	+ 12,812,422	+ 5.88	238,169	------
1911	224,751,083	226,306,735	— 1,555,652	— 0.69	230,076	226,493
1912	245,595,532	222,587,872	+ 23,007,660	+10.34	230,712	227,194
1913	235,849,764	223,813,526	+ 12,036,238	+ 5.38	206,084	203,773
1914	252,231,248	261,803,011	— 9,571,763	— 3.66	235,407	231,639
1915	262,948,115	260,624,000	+ 2,324,115	+ 0.89	243,042	241,796
1916	308,040,791	263,944,649	+ 44,096,142	+16.71	244,249	243,563
1917	353,219,982	306,891,957	+ 46,328,025	+15.10	245,699	244,921
1918	463,684,172	346,022,857	+117,661,315	+34.00	231,700	230,570
1919	454,588,513	469,246,733	— 14,658,220	— 3.12	226,654	226,934
1920	467,351,544	401,376,485	+ 65,975,059	+16.44	220,459	218,918
1921	460,989,697	527,396,813	— 66,407,116	—12.59	230,991	230,410
1922	442,736,397	462,696,986	— 19,960,589	— 4.31	235.082	234,556
1923	534,634,552	442,955,873	+ 91,678,679	+20.70	235,477	235,813
1924	480,704,944	534,222,102	— 53,517,158	—10.02	235,145	235,407
1925	521,538,604	480,943,003	+ 40,595,601	+ 8.44	236,762	236,525
1926	555,471,276	521,596,191	+ 33,875,085	+ 6.49	236,885	235,348
1927	508,413,874	556,710,935	— 48,297,061	— 8.67	238,316	237,711
1928	512,145,231	508,811,786	+ 3,333,445	+ 0.65	240,433	238,906
1929	556,706,135	512,821,937	+ 43,884,198	+ 8.56	241,450	241,183
1930	456,369,950	557,522,607	—101,152,657	—18.14	235,049	242,979
1931	377,938,882	458,088,890	— 80,150,008	—17.50	232,831	232,405
1932	237,462,789	376,314,314	—138,851,525	—36.90	242,228	242,221
1933	297,185,484	237,493,700	+ 59,691,784	+25.13	241,348	241,906
1934	275,583,676	293,341,605	— 17,757,929	— 6.05	239,160	240,882
1935	274,963.381	275,610,064	— 646,683	— 0.23	237,700	239,000
1936	349,256,586	274,921,824	+ 74,334,762	+27.04	236,672	237,892
1937	364,551,039	349,143,052	+ 15,407,987	+ 4.41	235,636	236,126
1938	299,038,208	364,488,504	— 65,450,296	—17.96	234,486	235,390
1939	331,878,000	298,986,884	+ 32,891,116	+11.00	233,396	234,296
1940	365,279.280	331,878,000	+ 33,401,280	+10.06	232,750	233,383
1941	485,398,033	365,421,954	+119,976,079	+32.83	232,273	232,803
1942	665,180,069	485,398,030	+179,782,039	+37.04	231,047	232,270

Month of July	Net Earnings Year Given	Year Preceding	Increase (+) or Decrease (—)	%
1909	$78,350,772	$67,267,352	+$11,083,420	+16.48
1910	73,157,547	77,643,305	— 4,485,758	— 5.78
1911	72,423,469	72,392,058	+ 31,411	+ 0.04
1912	79,427,565	70,536,977	+ 8,890,588	+12.60
1913	64,354,370	67,620,157	— 3,265,787	— 4.83
1914	75,359,466	76,358,377	— 998,911	— 1.31
1915	87,684,985	77,833,745	+ 9,851,240	+12.66
1916	108,709,496	88,421,559	+ 20,287,937	+22.94
1917	111,424,542	108,293,945	+ 3,130,597	+ 2.89
1918	144,348,682	109,882,551	+ 34,466,131	+31.37
1919	96,727,014	152,079,422	— 55,352,408	—36.40
1920	18,827,733	87,949,402	— 69,121,669	—78.59
1921	99,807,935	15,192,214	+ 84,615,721	+556.97
1922	102,258,414	100,293,929	+ 1,964,485	+ 1.96
1923	121,044,775	102,652,493	+ 18,392,282	+17.92
1924	112,626,696	122,228,450	— 9,601,754	— 7.86
1925	139,606,752	111,786,887	+ 27,819,865	+24.89
1926	161,079,612	139,644,601	+ 21,435,011	+15.35
1927	125,438,334	160,874,882	— 35,436,548	—22.03
1928	137,412,487	125,700,631	+ 11,711,856	+ 9.32
1929	168,428,748	137,635,367	+ 30,793,381	+22.37
1930	165,580,269	216,676,353	— 51,096,084	—23.58
1931	96,965,387	125,430,843	— 28,465,456	—22.69
1932	46,125,932	96,983,455	— 50,857,523	—52.44
1933	100,482,838	46,148,017	+ 54,334,821	+117.74
1934	67,569,491	98,803,830	— 31,234,339	—31.61
1935	57,478,685	67,586,762	— 10,108,077	—14.96
1936	101,398,055	57,345,375	+ 44,052,680	+76.82
1937	98,485,524	101,379,262	— 2,893,738	— 2.85
1938	77,310,037	98,476,937	— 21,166,900	—21.49
1939	90,457,198	77,317,123	+ 13,140,075	+16.99
1940	104,023,611	90,457,197	+ 13,566,414	+15.00
1941	175,671,979	104,100,340	+ 71,571,639	+68.75
1942	274,705,768	175,671,979	+ 99,033,789	+56.37

ODT Will Regulate Commercial Vehicles

In a drastic move designed to curtail all non-essential commercial motor vehicle operations, the Office of Defense Transportation announced recently that it will assume control over the nation's approximately 5,000,000 trucks, buses, taxicabs and other commercial vehicles.

Beginning Nov. 15, the ODT will require each of the vehicles affected to carry "certificates of war necessity" which will govern the maximum mileage that they may be operated or the minimum loads that may be carried. No operator subject to the order will be able to obtain gasoline, tires or parts without his certificate.

The order will affect 4,890,000 non-military trucks, 154,000 buses and more than 50,000 taxicabs.

ODT Director Joseph B. Eastman explained the action by saying that the country's present supply of commercial vehicles "must be given the best possible care; they must be driven with equal care, and every mile of unnecessary travel must cease."

In granting ODT "certificates of war necessity," it was explained, the objective will be to see that (1) operations are confined to those which are necessary to the war effort or to the essential civilian economy; (2) operations are so conducted as to attain maximum utilization of the equipment involved; and, (3) the operators conserve and providently utilize rubber or rubber substitutes and other critical materials used in the manufacture, maintenance and operations of the vehicles involved.

The order applies to "all types of trucks and other rubber-tired vehicles propelled or drawn by mechanical power and built or rebuilt primarily for the purposes of transporting property, except motorcycles, and all motor vehicles which are used in the transportation of passengers or which are available for public rental, including ambulances and hearses, but not including private passenger cars."

In addition to private cars, the only vehicles excepted are those operated under the direction of the military forces, commercial vehicles operated by dealers exclusively for the purpose of selling such vehicles and cars which have a capacity of seven or fewer passengers and are used in group riding to haul persons to and from work, if such cars are not used in any other service for compensation.

Under an arrangement between ODT and the Office of Price Administration, coupons or other instruments authorizing the purchase of fuel, tires and tubes will be issued only to operators presenting certificates. Furthermore, gasoline and accessories will be rationed by OPA rationing boards in accordance with terms of the certificates.

September 1 Cotton Report

A United States cotton crop of 14,028,000 bales is forecast by the Crop Reporting Board of the United States Department of Agriculture, based on condition as of Sept. 1, 1942. This is an increase of 943,000 bales from the forecast as of Aug. 1 and compares with 10,744,000 bales produced in 1941, and 13,109,000 bales, the 10-year (1931-40) average. The indicated yield per acre of 289.3 pounds is 19.4 pounds above the previous record yield of 269.9 pounds produced in 1937, and compares with 231.9 pounds in 1941 and 215.0 pounds, the 10-year average. It is estimated that 3.0% of the acreage in cotton on July 1 has been, or will be, abandoned, leaving 23,273,000 acres remaining for harvest. In computing abandonment allowance was made for acreage removed in order to comply with AAA allotments.

Unusually favorable weather conditions which prevailed on Aug. 1 continued over the entire cotton area during the month. In Arkansas, good rains early in August removed the threat of drought and increased the prospective production in that State 13% above the August forecast. Production prospects increased about 10% in Texas, 9% in Mississippi, 8% in Missouri, Alabama and Oklahoma, and 6% in Tennessee, California and Virginia. Nominal increases are indicated for all other States except New Mexico and Arizona where prospects are slightly below a month ago. The tropical storm which struck the coast of Texas at the end of August caused some local damage to cotton yields.

The cotton crop shows unusually good yield prospects throughout the entire cotton area. The indicated yield for the United States is the highest in history. Mississippi and Virginia are the only individual States where record yields are indicated, but in all other States this year's crop closely approximates record yields. In Texas and Oklahoma the yields are well above those of recent years but below the high yields in the late 1890's when cotton production differed materially from the present.

Cotton ginnings for the United States were reported by the Bureau of the Census at 737,886 running bales (counting round as half bales) ginned from the crop of 1942 prior to Sept. 1, compared with 505,720 for 1941 and 650,764 for 1940.

Trading On New York Exchanges

The Securities and Exchange Commission made public on Sept. 18 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 week ended Sept. 5, 1942, continuing a series of current figures being published by the Commission. Short sales are shown separately from other sales in these figures, the Commission explained.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended Sept. 5 (in round-lot transactions) totaled 427,768 shares, which amount was 13.32% of total transactions on the Exchange of 1,606,040 shares. This compares with member trading during the previous week ended Aug. 29 of 534,656 shares, or 14.26% of total trading of 1,873,990 shares. On the New York Curb Exchange, member trading during the week ended Sept. 5 amounted to 76,855 shares, or 14.07% of the total volume of that Exchange of 273,194 shares; during the preceding week trading for the account of Curb members of 85,515 shares was 14.45% of total trading of 295,970 shares.

The Commission made available the following data for the week ended Sept. 5:

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
Total number of reports received	964	673
1. Reports showing transactions as specialists	162	74
2. Reports showing other transactions initiated on the floor	117	12
3. Reports showing other transactions initiated off the floor	139	47
4. Reports showing no transactions	612	527

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)

WEEK ENDED SEPT. 5, 1942

	Total for Week	† Per Cent
A. Total Round-Lot Sales:		
Short sales	44,770	
‡Other sales	1,561,270	
Total sales	1,606,040	
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	119,620	
Short sales	21,700	
‡Other sales	89,430	
Total sales	111,130	7.18
2. Other transactions initiated on the floor—		
Total purchases	54,110	
Short sales	5,300	
‡Other sales	45,270	
Total sales	50,570	3.26
3. Other transactions initiated off the floor—		
Total purchases	49,508	
Short sales	6,700	
‡Other sales	36,130	
Total sales	42,830	2.88
4. Total—		
Total purchases	223,238	
Short sales	33,700	
‡Other sales	170,830	
Total sales	204,530	13.32

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

WEEK ENDED SEPT. 5, 1942

	Total for Week	† Per Cent
A. Total Round-Lot Sales:		
Short sales	4,475	
‡Other sales	268,719	
Total sales	273,194	
B. Round-Lot Transactions for the Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	18,385	
Short sales	3,290	
‡Other sales	23,610	
Total sales	26,900	8.29
2. Other transactions initiated on the floor—		
Total purchases	4,575	
Short sales	0	
‡Other sales	3,750	
Total sales	3,750	1.52
3. Other transactions initiated off the floor—		
Total purchases	9,300	
Short sales	900	
‡Other sales	13,045	
Total sales	13,945	4.26
4. Total—		
Total purchases	32,260	
Short sales	4,190	
‡Other sales	40,405	
Total sales	44,595	14.07
C. Odd-Lot Transactions for the Account of Specialists—		
Customers' short sales	0	
§Customers' other sales	16,107	
Total purchases	16,107	
Total sales	8,451	

*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."

Living Costs In Large Cities Advanced 0.4% Between July 15-Aug. 15, Labor Bureau Reports

Led by sharp increases for certain foods exempt from price control, the cost of living in large cities rose by 0.4% from July 15 to Aug. 15, Secretary of Labor Perkins announced on Sept. 13. The Bureau of Labor Statistics' index of the cost of living now stands at 117.4% of the 1935-39 level, about 19% higher than in August, 1939, just before the outbreak of war in Europe.

Price increases for foods not subject to OPA regulation amounted on the average of 2.2% from July to August and to nearly 10% during the three-month period since mid-May, when the General Maximum Price Regulation became effective. For foods controlled by the OPA there was also some advance (0.5%) from July to August. Since May, these controlled foods have declined 0.3%. The total food bill went up by 1.2% from July to August. On the other hand, elements in the cost of living predominantly subject to regulation—clothing, rent, fuel, ice, and housefurnishings—for the most part declined slightly. Total costs of all controlled goods and services were unchanged, while costs not under control rose by 1.3% from July to August.

The following table shows changes since a month ago and since May:

	July 15 to Aug. 15, 1942	May 15 to Aug. 15, 1942
All items	+0.4	+1.2
Food	+1.2	+3.7
Controlled	+0.5	—0.3
Uncontrolled	+2.2	+9.8
Clothing	—0.2	—0.9
Rents	—0.1	—2.1
Fuel, electricity and ice	—0.1	+1.2
Housefurnishings	—0.5	—0.3
Miscellaneous	+0.1	+0.2

The Department's announcement further explained:

"**Food Costs.** With but a few exceptions, all foods not controlled rose more than usual at this season of the year. Among the greatest increases over the month were those of 18% for lettuce, and 14% for sweet potatoes, 8% for butter, more than 5% for roasting chickens, all of which were practically double the usual seasonal advances.

"Other increases, also, somewhat greater than seasonal, were 12% for eggs, 16% for green beans, and 8% for dried prunes. Prices were slightly higher for wheat flour, corn meal, fresh fish, cheese, oranges, navy beans, and others. Prices of apples, potatoes, cabbage, and onions showed large seasonal declines. As a group, these uncontrolled products account for about 40% of the average urban family's food budget.

"On the whole, there was little change in food prices covered by OPA regulation. Many of these prices, such as those for white and rye bread, macaroni, canned salmon, and milk showed no increases. For a few other products, particularly beef and pork, there were price increases of 1 to 2%, which, however, were relatively small compared with advances for uncontrolled foodstuffs. Average costs for lamb, which came under control on Aug. 1, showed no change over the month. Taken as a whole, these controlled foods have shown an average decline of 0.3% since the imposition of the General Maximum Price Regulation in mid-May.

"**Rents.** As more cities have been brought under Federal rent control, there has been a steady decline in the Bureau of Labor Statistics' index of rents in large cities, amounting on the average to 2% in the last three months. From mid-July to mid-August, there were reductions in 7 of the cities surveyed, with an average decline for all cities of 0.1%. Reductions were greatest in crowded defense areas such as Seattle, where advances in rents had previously been very marked. Fourteen of the cities surveyed are now subject to Federal control, including Denver, where control went into effect on Aug. 1.

"**Other Living Costs.** Costs of clothing, housefurnishings, and fuels have also been declining. August sales were largely responsible for price reductions of 0.2% and 0.5% respectively for clothing and housefurnishings. Women's percale dresses, men's wool suits, children's shoes, sheets, and furniture were among the goods affected.

"Cost of fuel, electricity, and ice declined slightly. In the East there were price reductions for fuel oil (as well as for gasoline), following an OPA order rescinding an earlier increase, and absorbing higher freight costs, which are now covered by Government subsidies. On the other hand, a small net increase was reported in the average cost of miscellaneous goods and services.

"Among the largest increases in service costs were those for services exempt from Federal control such as those provided by barbers, beauty parlors, physicians, hospitals, and movies, which have been advancing steadily for some time. With the increases of the past month, prices of men's haircuts have gone up by 5% since last March, women's beauty parlor services by 3½%, medical care by more than 2%, and movies by 2%. During the past month reductions in a few cities were reported for laundry services, which became subject to OPA control on July 1."

The Labor Department this month combined its releases covering retail costs of food and changes in cost of living.

Index numbers of food costs by commodity groups for Aug. 18, July 14, June 16, May 12, and March 17, 1942, Aug. 12, 1941, and Aug. 15, 1939, are shown in the following table:

INDEXES OF RETAIL COSTS OF FOOD BY COMMODITY GROUPS

(Five-Year Average 1935-39 = 100)

Commodity Group	*Aug. 18 1942	July 14 1942	June 16 1942	May 12 1942	Mar. 17 1942	Aug. 12 1941	Aug. 15 1939
ALL FOODS	126.1	124.6	123.2	121.6	118.6	108.0	93.5
Cereals and bakery products	105.3	105.1	105.1	105.2	104.8	99.0	93.4
Meats	129.5	127.5	126.6	124.3	120.5	111.2	95.7
Beef and veal	125.3	123.6	123.3	124.1	119.7	112.1	99.6
Pork	123.3	122.1	121.9	123.2	117.5	109.5	88.0
Lamb	133.0	133.0	130.7	118.2	108.7	109.6	98.8
Chickens	131.8	125.7	123.3	113.4	112.2	103.1	94.6
Fish, fresh & canned	164.7	161.2	158.3	150.9	158.9	125.5	99.6
Dairy products	125.8	†122.8	122.1	123.3	121.7	114.5	93.1
Eggs	145.6	†130.2	119.7	115.4	112.1	120.7	90.7
Fruits & vegetables	133.1	135.7	133.8	128.7	123.4	103.4	92.4
Fresh	135.3	139.1	136.7	130.0	123.7	103.8	92.8
Canned	122.9	122.4	122.2	122.7	120.8	100.2	91.6
Dried	138.9	134.2	132.6	131.2	127.9	109.1	90.3
Beverages	123.5	122.8	122.6	124.6	119.6	103.8	94.9
Fats and oils	120.4	120.0	120.0	122.4	116.8	99.2	84.5
Sugar	126.7	126.6	126.7	127.1	128.5	109.0	95.6

*Preliminary. †Revised.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Sept. 18 a summary for the week ended Sept. 12, 1942, 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, which are based upon reports filed with the Commission by the odd-lot dealers and specialists, are given below:

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

Week Ended Sept. 12, 1942	Total for week
Odd-lot Sales by Dealers: (Customers' Purchases)	
Number of orders	7,132
Number of shares	186,007
Dollar value	6,792,596
Odd-lot Purchases by Dealers— (Customers' Sales)	
Number of Orders:	
Customers' short sales	101
*Customers' other sales	7,662
Customers' total sales	7,763
Number of Shares:	
Customers' short sales	2,513
*Customers' other sales	189,324
Customers' total sales	191,837
Dollar value	5,478,974
Round-lot Sales by Dealers— Number of Shares:	
Short sales	170
†Other sales	61,360
Total sales	61,530
Round-lot Purchases by Dealers—	
Number of shares	55,860

*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."

Lumber Movement—Week Ended Sept. 12, 1942

Lumber production during the holiday week ended Sept. 12, 1942, was 10% less than the previous week, shipments were 13% less, new business 7% less, according to reports to the National Lumber Manufacturers Association from regional associations covering the operations of representative hardwood and softwood mills. Shipments were 2% above production; new orders 4% above production. Compared with the corresponding week of 1941, production was 22% less, shipments 19% less, and new business 8% less. The industry stood at 106% of the average of production in the corresponding week of 1935-39 and 115% of average 1935-1939 shipments in the same week.

Year-to-Date Comparisons

Reported production for the first 36 weeks of 1942 was 4% below corresponding weeks of 1941; shipments were 3% above the shipments, and new orders 7% above the orders of the 1941 period. For the 36 weeks of 1942, new business was 20% above production, and shipments were 13% above production.

Supply and Demand Comparisons

The ratio of unfilled orders to gross stocks was 72% on Sept. 12, 1942, compared with 40% a year ago. Unfilled orders were 31% greater than a year ago; gross stocks were 28% less.

Softwoods and Hardwoods

Record for the current week ended Sept. 12, 1942, for the corresponding week a year ago, and for the previous week, follows in thousand board feet:

SOFTWOODS AND HARDWOODS

	1942 Week	1941 Week	1942 Previous Wk. (rev.)
Mills	438	438	457
Production	223,175	284,717	249,056
Shipments	227,701	282,342	262,593
Orders	231,360	252,038	249,290

	Softwoods 1942 Week	Hardwoods 1942 Week
Mills	356	96
Production	212,990—100%	10,185—100%
Shipments	213,759—100	13,942—137
Orders	220,107—103	11,253—110

Revenue Freight Car Loadings During Week Ended Sept. 12, 1942 Totaled 814,885 Cars

Loading of revenue freight for the week ended Sept. 12, which included Labor Day holiday, totaled 814,885 cars, the Associated of American Railroads announced on Sept. 17. This was a decrease below the corresponding week in 1941, which did not include Labor Day holiday, of 99,771 cars or 10.9%, but an increase above the same week of 1940, which did not include Labor Day holiday, of 10,620 cars or 1.3%.

Loading of revenue freight for the week of Sept. 12 decreased 73,075 cars or 8.2% below the preceding week.

Miscellaneous freight loading totaled 378,989 cars, a decrease of 41,068 cars below the preceding week, and a decrease of 11,259 cars below the corresponding week in 1941.

Loading of merchandise less than carload lot freight totaled 79,278 cars, a decrease of 9,719 cars below the preceding week, and a decrease of 79,634 cars below the corresponding week in 1941.

Coal loading amounted to 153,490 cars, a decrease of 12,610 cars below the preceding week, and a decrease of 18,302 cars below the corresponding week in 1941.

Grain and grain products loading totaled 45,396 cars, an increase of 1,312 cars above the preceding week, and an increase of 350 cars above the corresponding week in 1941. In the Western Districts alone, grain and grain products loading for the week of Sept. 12 totaled 33,146 cars, an increase of 3,301 cars above the preceding week, and an increase of 2,879 cars above the corresponding week in 1941.

Live stock loading amounted to 15,336 cars, a decrease of 807 cars below the preceding week, but an increase of 884 cars above the corresponding week in 1941. In the Western Districts alone, loading of live stock for the week of Sept. 12 totaled 11,595 cars, a decrease of 748 cars below the preceding week, but an increase of 428 cars above the corresponding week in 1941.

Forest products loading totaled 46,291 cars, a decrease of 6,151 cars below the preceding week and a decrease of 521 cars below the corresponding week in 1941.

Ore loading amounted to 82,676 cars, a decrease of 3,186 cars below the preceding week, but an increase of 8,228 cars above the corresponding week in 1941.

Coke loading amounted to 13,429 cars, a decrease of 846 cars below the preceding week, but an increase of 483 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 compared with the corresponding week of 1940 except the Eastern and Northwestern.

	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
5 weeks of August	4,350,948	4,463,372	3,717,933
Week of Sept. 5	887,960	797,791	695,094
Week of Sept. 12	814,885	914,656	804,265
Total	30,435,366	29,439,986	24,954,277

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Sept. 12, 1942. During this period (which included Labor Day) only 24 roads showed increases when compared with the corresponding week last year (which did not include Labor Day holiday).

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS)—WEEK ENDED SEPT. 12

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1942	1941	1940	1942	1941
Eastern District—					
Ann Arbor	294	588	571	1,183	1,492
Bangor & Aroostook	765	983	813	166	292
Boston & Maine	5,349	9,182	7,561	12,707	13,436
Chicago, Indianapolis & Louisville	1,358	1,696	1,483	1,890	2,586
Central Indiana	23	17	13	69	77
Central Vermont	883	1,539	1,375	2,677	2,599
Delaware & Hudson	6,084	7,119	5,680	10,311	11,111
Delaware, Lackawanna & Western	6,952	9,809	9,323	9,908	9,246
Detroit & Mackinac	408	297	393	284	157
Detroit, Toledo & Ironton	1,682	2,447	1,982	1,076	1,312
Detroit & Toledo Shore Line	269	350	288	2,099	4,065
Erie	11,150	15,226	13,981	15,308	15,707
Grand Trunk Western	3,844	5,614	4,749	8,289	8,986
Lehigh & Hudson River	158	160	195	3,149	2,738
Lehigh & New England	1,896	1,875	2,517	1,917	2,028
Lehigh Valley	7,896	10,511	9,951	13,147	9,823
Maine Central	1,974	3,338	2,642	2,308	2,598
Monongahela	5,633	6,587	5,331	421	314
Montour	2,283	2,557	2,365	32	59
New York Central Lines	45,475	53,942	45,758	51,411	55,038
N. Y., N. H. & Hartford	7,986	12,566	10,494	17,721	15,962
New York, Ontario & Western	993	1,223	1,024	2,127	2,333
New York, Chicago & St. Louis	7,548	7,507	6,694	15,112	14,232
N. Y., Susquehanna & Western	296	548	370	2,305	1,658
Pittsburgh & Lake Erie	7,249	8,677	7,613	7,720	9,033
Pere Marquette	4,826	6,341	6,127	5,681	6,633
Pittsburgh & Shawmut	653	788	868	22	46
Pittsburgh, Shawmut & North	333	459	409	186	482
Pittsburgh & West Virginia	925	1,167	884	3,153	2,425
Rutland	325	625	648	805	1,205
Wabash	5,316	6,297	5,968	12,084	10,523
Wheeling & Lake Erie	4,600	5,673	4,989	4,734	4,300
Total	145,426	185,708	163,059	210,002	212,496
Allegheny District—					
Akron, Canton & Youngstown	701	749	534	1,219	1,166
Baltimore & Ohio	38,859	43,276	35,915	23,826	22,827
Bessemer & Lake Erie	6,439	6,891	6,357	2,555	2,416
Buffalo Creek & Gauley	263	276	309	4	4
Cambria & Indiana	1,773	1,895	1,361	10	11
Central R. R. of New Jersey	6,816	8,778	6,910	19,270	16,909
Cornwall	696	701	665	43	66
Cumberland & Pennsylvania	236	325	248	17	34
Ligonier Valley	138	118	135	48	57
Long Island	884	964	753	3,684	3,023
Penn-Reading Seashore Lines	1,868	2,313	1,751	2,655	2,211
Pennsylvania System	77,425	93,615	76,077	62,144	61,560
Reading Co.	13,129	18,057	16,457	26,790	24,436
Union (Pittsburgh)	20,346	19,322	19,772	7,065	7,019
Western Maryland	3,813	4,611	3,472	12,455	9,981
Total	173,386	201,891	170,716	161,785	151,776
Pocahontas District—					
Chesapeake & Ohio	26,765	30,792	25,079	11,811	13,651
Norfolk & Western	22,058	25,099	21,869	6,456	6,325
Virginian	4,546	4,831	4,679	2,034	1,939
Total	53,369	60,722	51,627	20,301	21,915
Southern District—					
Alabama, Tennessee & Northern	339	411	223	411	228
Atl. & W. P.—W. R. R. of Ala.	776	968	811	3,045	1,837
Atlanta, Birmingham & Coast	640	880	683	1,185	1,051
Atlantic Coast Line	10,384	11,028	10,056	9,459	6,688
Central of Georgia	3,579	4,565	4,392	3,879	3,943
Charleston & Western Carolina	330	439	446	1,312	1,493
Clinchfield	1,688	1,841	1,318	2,463	2,738
Columbus & Greenville	472	376	252	198	397
Durham & Southern	88	217	172	699	514
Florida East Coast	884	454	425	1,497	970
Gainesville Midland	29	52	35	80	73
Georgia	1,384	1,226	1,061	2,562	1,987
Georgia & Florida	349	361	304	591	592
Gulf, Mobile & Ohio	4,035	4,483	3,328	4,562	3,21
Illinois Central System	26,892	28,567	23,820	18,870	14,434
Louisville & Nashville	23,914	26,849	22,966	11,313	8,389
Macon, Dublin & Savannah	171	179	135	590	708
Mississippi Central	313	227	178	874	394
Nashville, Chattanooga & St. L.	3,716	3,570	3,033	4,788	3,27
Norfolk Southern	1,167	1,471	1,222	2,219	1,39
Piedmont Northern	308	516	400	1,106	1,45
Richmond, Fred. & Potomac	358	449	391	8,061	5,01
Seaboard Air Line	9,349	9,950	9,026	7,192	6,44
Southern System	21,354	25,052	22,320	22,615	19,75
Tennessee Central	515	563	419	898	77
Winston-Salem Southbound	90	154	167	992	1,05
Total	113,124	124,848	107,583	111,461	88,80
Northwestern District—					
Chicago & North Western	18,756	23,628	22,761	13,648	13,50
Chicago Great Western	2,276	3,286	2,727	3,278	3,60
Chicago, Milw., St. P. & Pac.	18,792	24,431	22,287	8,551	9,84
Chicago, St. Paul, Minn. & Omaha	3,781	4,330	4,651	4,142	4,47
Duluth, Missabe & Iron Range	30,663	23,718	22,274	509	27
Duluth, South Shore & Atlantic	806	1,296	1,308	1,299	49
Elgin, Joliet & Eastern	9,456	10,606	9,513	9,923	9,88
Ft. Dodge, Des Moines & South	443	790	620	109	17
Great Northern	29,711	26,905	25,403	5,715	4,42
Green Bay & Western	416	636	550	865	77
Lake Superior & Ishpeming	2,159	2,244	3,465	49	9
Minneapolis & St. Louis	1,861	2,134	2,240	1,977	2,22
Minn., St. Paul & S. S. M.	7,629	8,346	9,034	3,119	3,291
Northern Pacific	12,017	12,274	12,152	5,312	4,90
Spokane International	312	182	317	657	37
Spokane, Portland & Seattle	2,464	2,841	2,272	3,129	1,42
Total	141,542	147,647	141,572	62,282	59,78
Central Western District—					
Atch., Top. & Santa Fe System	20,741	22,736	20,738	12,608	9,30
Alton	2,889	3,576	3,098	4,364	3,03
Bingham & Garfield	560	657	479	113	10
Chicago, Burlington & Quincy	18,331	18,991	16,168	11,406	11,01
Chicago & Illinois Midland	2,702	2,951	2,036	936	98
Chicago, Rock Island & Pacific	11,641	14,180	13,272	11,494	10,75
Chicago & Eastern Illinois	2,569	2,906	2,713	4,319	3,01
Colorado & Southern	844	883	727	1,915	1,79
Denver & Rio Grande Western	3,925	4,502	4,114	6,148	4,62
Denver & Salt Lake	782	1,010	908	20	2
Fort Worth & Denver City	1,205	1,006	931	1,433	1,225
Illinois Terminal	1,914	1,996	1,889	2,377	2,21
Missouri-Illinois	1,316	1,196	1,008	380	77
Nevada Northern	2,197	1,910	1,825	90	11
North Western Pacific	1,185	1,205	826	660	58
Peoria & Pekin Union	6	9	10	0	[illegible]
Southern Pacific (Pacific)	31,122	31,337	27,159	10,776	7,59
Toledo, Peoria & Western	261	372	381	1,547	1,63
Union Pacific System	14,946	18,623	15,864	14,803	12,93
Utah	488	535	483	4	[illegible]
Western Pacific	2,223	2,628	1,948	3,990	3,17
Total	121,847	133,209	116,577	89,383	74,92
Southwestern District—					
Burlington-Rock Island	697	159	137	162	18
Gulf Coast Lines	4,305	3,109	2,620	2,531	2,08
International-Great Northern	2,655	2,191	2,167	2,614	2,35
Kansas, Oklahoma & Gulf	324	214	202	1,138	1,10
Kansas City Southern	4,714	2,640	2,260	2,926	2,86
Louisiana & Arkansas	3,822	2,623	2,001	2,411	2,24
Litchfield & Madison	255	361	352	1,148	1,24
Midland Valley	636	955	602	209	24
Missouri & Arkansas	150	167	203	403	40
Missouri-Kansas-Texas Lines	4,622	4,646	4,739	5,090	3,93
Missouri Pacific	16,220	18,107	15,415	20,037	12,60
Quanah Acme & Pacific	67	130	103	312	16
St. Louis-San Francisco	8,346	9,561	7,885	8,035	5,85
St. Louis Southwestern	2,767	3,072	2,487	5,802	3,40
Texas & New Orleans	12,520	8,370	7,790	4,684	4,12
Texas & Pacific	3,982	4,190	4,012	8,005	4,81
Wichita Falls & Southern	90	114	139	46	61
Weatherford M. W. & N. W.	19	22	14	76	5
Total	66,191	60,631	53,131	65,629	47,764

Note—Previous year's figures revised.

Non-Ferrous Metals—WLB Recommends Higher Wage Rate—May Disturb Price Structure

Editor's Note.—At the direction 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 Sept. 17 stated: "Copper, lead and zinc producers were concerned about the majority opinion of the mediation panel of the War Labor Board handed down Sept. 16, recommending a wage increase of $1 a day for mine, mill and smelter workers in Utah and Idaho, to stop migration of labor to defense plants and attract replacements. At seven plants of the American Smelting & Refining Co. the opinion favors wage increases of 20¢ to $1.24 a day, with a proposal that at three of the company's units the question of wages should be settled by negotiation. Higher wages, if granted, may disturb the price structure, the trade believes. The publication further went on to say in part:

Copper

Consumers who had allocation certificates for September copper experienced no difficulty in obtaining the metal.

With the cost of producing copper likely to rise, because of labor conditions, the industry is wondering whether the premium-price plan will come up for revision. The quotation for domestic copper continued at 12¢, Valley. Foreign copper sold to Metals Reserve on the basis of 11.75¢, f.a.s. United States ports.

Copper chemicals have been placed under allocation by WPB in an order that becomes effective Oct. 1. Deliveries of the chemicals may be made in small lots by certification from the purchaser to his supplier. Limits set on small-lot business are 450 lb. of copper sulphate, and 25 lb. of the other chemicals, in one month. Items listed are sulphate, carbonate, chloride, oxide, nitrate, and cyanide.

Lead

Obstacles to be surmounted before the conservation order for lead can be modified appear to be numerous, and little progress was made toward easing the order during the last week. In many instances, use of lead in quantity is hampered by existing orders covering materials that usually go with the metal in making up the final product. Domestic consumption of lead at present is estimated at 57,000 to 60,000 tons a month.

Quotations for common lead continued on the basis of 6.50¢, New York, and at 6.35¢, St. Louis.

Zinc

The zinc concentrate situation has received increased attention in Washington and the industry couples this development with the move to raise wages of mine workers in some districts to prevent further labor deficiencies and lift production. The market for zinc underwent no change, Prime Western continuing on the basis of 8.25¢, St. Louis.

Tin

The compliance division of the War Production Board has started a survey of tin stocks at plants of consumers.

British authorities claim that strategic materials are "trickling" from Japan into Germany. One of the items mentioned is tin. Spain and France are believed to operate part of the supply route for moving critical materials to circumvent the British blockade.

Straits quality tin for future delivery was nominally as follows:

	Sept.	Oct.	Nov.
Sept. 10	52.000	52.000	52.000
Sept. 11	52.000	52.000	52.000
Sept. 12	52.000	52.000	52.000
Sept. 14	52.000	52.000	52.000
Sept. 15	52.000	52.000	52.000
Sept. 16	52.000	52.000	52.000

Chinese tin, 99%, spot, 51.125¢ all week.

Chrome and Manganese

The Metals Reserve Co. has extended the terms and provisions of its circular of June 1, 1942, concerning the purchase of small lots of chrome and manganese ores, to Dec. 31, 1943.

Quicksilver

Conditions governing the quicksilver situation in the United States have not changed. Production is finding a ready outlet, either for immediate consumption or for the emergency stockpile. Quotations here continued at $194.43 to $198.08 per flask.

Silver

Senator Green (R. I.) has introduced a bill authorizing the President, through the Secretary of the Treasury, to dispose of the Government's silver for production of war materials and essential civilian needs. The price set by the proposed measure is cost or market.

Senator McCarran, Nevada, promised strong opposition to legislation which would allow surplus Treasury silver to be sold to the jewelry trade and industry.

During the past week the London price was unchanged at 23½d. The New York Official and the U. S. Treasury prices are also unchanged at 44¾¢ 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.

NLRB Director for N. Y.

Charles T. Douds, Pittsburgh regional director of the National Labor Relations Board from 1937 to 1941, has been appointed as regional director for New York. Mr. Douds replaces Mrs. Elinore M. Herrick, who resigned recently to take a job with the Todd Shipyards Corp. He is expected to assume his new duties early in October. For the past year, Mr. Douds has been assistant director of the NLRB's field division, with headquarters in Washington, but spent much time in Pittsburgh.

The resignation of Mrs. Herrick was noted in these columns of Sept. 3, page 812.

Items About Banks, Trust Companies

Harry E. Ward, Chairman of the Board of Irving Trust Co., New York City, announced on Sept. 17 the following official changes: Cecil W. Borton, promoted from Assistant Vice-President to Vice-President; Sidney W. Coe and Maurice C. Thompson, appointed Assistant Vice-Presidents. Mr. Borton, who was a First Lieutenant in the Army in the first World War, is a graduate of the University of Illinois. He entered the Irving in 1922, became Assistant Auditor in 1926, and Auditor in 1932. In 1939 he was made Assistant Vice-President. Mr. Borton is President of the National Association of Bank Auditors and Comptrollers. Mr. Coe, a native of Ohio and graduate of Harvard University, entered the Irving in 1933, and for the last four years has been in the division handling the company's business in the Middle West. Mr. Thompson is in the division handling the company's business in the Southern and Southwestern States. Before entering the Irving, he was a resident manager of General Motors Acceptance Corporation for 15 years, with headquarters in Dallas, Texas.

Selden Osgood Martin, financial counsel for many corporations, died on Sept. 14 in New Rochelle Hospital, New Rochelle, N. Y., after a brief illness. He was 61 years old. Born in Dover-Foxcroft, Me., Mr. Martin was graduated from Bowdoin College and from Harvard University, where he received his M.A. and Ph.D. He was assistant professor of marketing at the Harvard Business School, 1910-16, and director of its bureau of business research, 1912-16. During the next five years he was manager of the research department of the American International Corporation with headquarters in New York. Mr. Martin served as President of the Sonora Phonograph Co. from 1924-1927.

In 1934-36 he was executive director of the industrial advisory committee of the New York Federal Reserve Bank. He recently returned from several months work in Washington where he was consultant to Robert P. Patterson, Under Secretary of War.

George N. Coe, formerly manager of the National City Bank of New York branch in Singapore, and for 23 years a member of the organization, was appointed Assistant Cashier at the regular meeting of the Board of Directors held on Sept. 22. He is now located in head office.

George G. Clarabut, Chairman of the Board of the Farmers National Bank and Trust Co., Rome, N. Y., recently observed his 60th anniversary of continuous service with that institution. A native of Rome, N. Y., Mr. Clarabut began his banking career on Sept. 12, 1882, as a messenger boy. After serving as bookkeeper and teller, he was advanced to Assistant Cashier in 1901 and Cashier in 1904. Mr. Clarabut became Vice-President in 1918 and in 1923 was elected President of the Farmers National Bank and Trust Co. He resigned the presidency of the institution in 1934 but continued to serve the bank as Chairman of the Board and in an advisory capacity. The bank, now headed by Carl H. Simon, was formed in 1875 as a State institution and four years later became a member of the national banking system.

Thomas H. Sullivan, President of the Bay State Savings Bank, Worcester, Mass., and a member of the Massachusetts Bar for 43 years, died on Sept. 11 at his home in Millbury, Mass. He was 74 years old. Mr. Sullivan had been head of the Bay State Savings Bank since 1922. He had been a member of the advisory board of the State Department of Education since his appointment by the late President Calvin Coolidge, when the latter was Governor.

Harold A. Arnsberger, Assistant Cashier of the First National Bank of Omaha, died on Sept. 13 at an Omaha hospital. He was 47 years old. Mr. Arnsberger, who went to Omaha from Oxford, Neb., six years ago, was President of the Securities State Bank at Oxford before selling his interests and becoming associated with the First National Bank. He was a former member of the executive council of the Nebraska Bankers Association, and prominent in State banking circles.

Carl P. Smith, Vice-President and Trust Officer of the Citizens National Trust & Savings Bank of Los Angeles, was elected a Director at the regular meeting of the Board held Sept. 15, it was announced by President H. D. Ivey. Prior to his association with the bank in 1924, Mr. Smith was assistant to the late J. Ross Clark, who built the Los Angeles & Salt Lake RR., and who was for many years a Director of Citizens National Bank and Chairman of the Board at the time of his death. Following the merger of the Salt Lake RR. with the Union Pacific, Mr. Smith was made assistant general manager. He resigned to join the bank's trust department in 1924, was shortly after made Assistant Trust Officer, and in 1938 was elected Vice-President and Trust Officer.

The Bank of Montreal announces the appointment of Gerald F. Pearson as manager of the bank's main office in Toronto, succeeding Harvey F. Skey, who is retiring on pension. Mr. Pearson has for some time been manager of the main branch of the bank in Winnipeg and was formerly assistant superintendent of the Ontario branches. Mr. Skey retires after 45 years of service with the bank. He has been manager of the main Toronto branch for the last seven years.

E. H. Lawrence, General Manager of the National Bank of India, Ltd., died on Sept. 2 in his 70th year, according to word recently received by us. The advices state:

"Mr. Lawrence, after serving three years' apprenticeship in a Scottish bank, entered the head office in London of the National Bank of India, Ltd., in March, 1891, and after four years of experience proceeded to Bombay in February, 1895. During the years spent abroad Mr. Lawrence served in Bombay, Aden, Calcutta and Madras offices, in Zanzibar, Nairobi and finally in Colombo where he was manager for a considerable period and where he became widely known and greatly esteemed. He returned from Colombo to London as Inspector of Branches in October, 1927, becoming London Manager on Nov. 1, 1928, while, following upon the death of Ross Munro, he succeeded him as General Manager of the bank in March, 1937. In June, 1940, the Directors gave expression to their appreciation of Mr. Lawrence's services as General Manager by appointing him to a seat on the Board of Directors. Mr. Lawrence was Chairman of the British Overseas Banks Association for the current year."

Bright Outlook For Small Businesses In Post War World Foreseen By N. Y. Trust

While small business, in general, is facing what many consider the most serious emergency in its history in the United States, the long-term outlook for those firms which are able to survive the present economic upheaval appears bright in the post-war world, the New York Trust Company says in the issue of "The Index," its quarterly publication, issued Sept. 21. How many of the small businesses survive will be determined by the initiative and resourcefulness of their management as well as by those factors beyond their control, according to the "The Index," which says:

"The integration of small business in the United States into the war production program has not yet been accomplished to the satisfaction either of most small businessmen or of those in charge of the war program. The importance of achieving this is not lessened because neither England nor Germany seems to have made any greater progress at a corresponding stage in their war preparations. Small business in this country normally accounts for about one-third of production in manufacturing industry and a considerably increased share of this output may well be needed to insure victory. Moreover, those small manufacturers unable to convert to war production or to continue their normal output face a bitter struggle for survival, as do many of the nearly 2,600,000 small businesses engaged in distribution or services.

"Their perpetuation is of national import because small business has long been considered a bulwark of the American system of free enterprise. Successful operation of small businesses throughout the nation is generally accompanied by a diffusion of economic power, normally gives to both producer and consumer a wider latitude of choice and, insofar as it affects political power, helps to make possible the continuation of civil liberties.

"According to the Department of Commerce, the United States has more than 2,750,000 small business establishments. Of these, over 169,000 are manufacturing concerns. The remainder are classified thus: 72,000 wholesalers, 1,614,000 retailers, 638,000 service organizations, 200,000 construction companies, 40,000 places of amusement and 25,000 hotels.

"Of the 184,000 manufacturing concerns of the country, it has been estimated that the facilities of only about 45,000 can be converted to war work. Yet the number of small manufacturing concerns alone totals over 169,000.

"To assist the far greater proportion of those not yet participating in the war production program, Congress established in July the Smaller War Plants Corporation, with a capitalization of $150,000,000.

"Whatever measure of success attends the efforts toward conversion to war work of the thousands of small industrial plants not yet participating therein, there must still be considered the difficulties of the nearly 2,600,000 small business institutions engaged in distribution and services of various kinds. Among these are some 44,000 automobile dealers and 60,000 independent tire dealers who have been particularly hard hit by the curtailment of automobile production and the rubber shortage.

"Important among other problems is a potential shortage of labor supply. Those small businesses losing employees thus may be forced to call upon those not normally employed, including the women in the nation's labor reserve.

"The experience of other nations demonstrates that small business can contribute greatly to war production. Moreover, war work would make more certain their survival, considered essential to the preservation of free enterprise in this country.

"The long-term outlook for small business concerns able to survive seems brighter, therefore, than the immediate future which is clouded by war restrictions. With the provision, of course, that the United Nations win the war and the free enterprise system is preserved in this country, it seems probable that when peace returns the greatest demand in history for many products, particularly those now unobtainable or to be had in small quantities, will have accumulated. Helping to meet that accumulated demand should enable small business to resume its high position in the nation's economy."

Earnings, Employment, At New Peaks In July

July earnings, employment, man hours and payrolls in 25 manufacturing industries were higher than those in any previous month, according to the National Industrial Conference Board, New York City.

The Board issued the following details on Sept. 18:

"Hourly earnings in rising 1.1% from June to July reached the level of $0.927. This level was 12.8% above that of July, 1941, and 57.1 above the average for the year 1929.

"Weekly earnings advanced 0.6% and average $39.76 in July. They were 18.0% more than in July last year and 39.3% more than weekly earnings in 1929.

"'Real' weekly earnings, or dollar weekly earnings adjusted for changes in the cost of living, were 7.6% greater than in July, 1941, 42.9% greater than in 1929.

"Employment in July increased 1.0%, and was 10.9% higher than in July, 1941, and 34.3 higher than in 1929.

"Man hours worked totaled 0.8% more in July than in June. They have risen 15.2% since July, 1941, and 18.3% since 1929.

"Payrolls stood at 202.6 (1923 equals 100) in July. This level was 1.7% greater than that in June, 30.9% greater than that a year before and 86.9% higher than 1929 payrolls.

"Hours worked per week at 42.6 were 0.2% less than in June and 11.8% below the average for 1929. However, they had increased 3.9% in the year-period and were higher than in any other month since the depression, except for the period March through June of this year.

"Since our entry into the war, hourly earnings, according to the Board's findings, have risen 7.8%, the average monthly increase being 1.1%. The work week was 2.7% longer in July than in November, 1941. Average weekly earnings exceeded those at the beginning of the period by 11.2% and 'real' weekly earnings were up 5.9%, despite higher living costs. Employment gained 6.4%, man hours worked were 9.3% greater, and payrolls totaled 18.4% more than in the previous period.

"Over the period from August, 1939, to July, 1942, average hourly earnings rose 28.8% and the work week was 4.7 hours, or 12.4% longer. Actual weekly earnings advanced 45.7% over August, 1939, and 'real' weekly earnings exceeded those before the war by 25.5%. The number of wage earners at work in the 25 industries was 61.0% greater than at the beginning of the period. Man hours worked totaled 81.2% more and payrolls 134.5% more in July than in August, 1939."

In commenting upon the figures, the Board says:

"Employed manufacturing workers in July were in an advantageous position according to these surveys. They received the highest hourly earnings recorded in this series and they worked 42.6 hours a week for which they received $39.76. With this amount of money they could purchase more necessities and services than they were in position to obtain in any previous month since these surveys were initiated.

"More persons were at work in the 25 industries than ever before. Their man hours of work totaled more and the payrolls paid out by manufacturers were larger in July than in any other month since these surveys were begun in 1914."

Savings-Loan Assets Show Net Increases

More than half of the savings, building and loan associations with assets above $5,000,000 showed net gains during the first six months that the nation was at war, H. F. Cellarius, Secretary-Treasurer of the United States Savings and Loan League, reported on Sept. 19. Of the League's member associations, 165 ranked in this top-size group as of June 30, 1942, and four of them climbed into it for the first time during the first six months of the year.

Showing how relatively light as yet has been any adverse influence of the war economy on these thrift and home financing institutions, Mr. Cellarius said that three out of every four of the associations of this size arrived at June 30, 1942, with larger asset totals than they had 12 months before. Some 57% of them gained during the first half of this year, and one out of every three which increased their assets added $250,000 or more. Twenty-two of them had larger increases than for the same period in 1941.

"Locations of the institutions which have showed quarter of a million gains in spite of the disruptions of militarizing the nation reflect the inflow of funds to savings institutions as a result of war expenditures," he said. "The institutions making this sizable gain were located in Cleveland, Atlanta, Washington, D. C.; Providence, R. I.; Dayton, Ohio; Minneapolis; Tacoma, Wash.; Los Angeles; Rochester, N. Y.; Louisville, Ky.; Boston; Manchester, N. H.; Canton, Ohio; Bellaire, Ohio; Toledo, Ohio; Baltimore; Schenectady; San Diego; Brooklyn, and Nashville, Tenn."

The largest gain for the half year was over $2,000,000 by the Boston Federal Savings and Loan Association, while the Minneapolis Savings and Loan Association had the second largest growth with its addition of more than $1,000,000. There were ten others which increased their assets by between half a million and a million dollars.

Mr. Cellarius said the percentage of these associations which grew during the first half of 1942 was almost as large as the 63% of their number which increased assets for the like period two years ago. A drop was noticeable from last year, however, when 82% of the over-$5,000,000 associations grew the first six months.

There are now 49 member associations of the United States Savings and Loan League with assets over $10,000,000. Holding its own as the nation's largest is the Perpetual Building Association, Washington, D. C., which had $55,363,607 as of June 30, 1942.

Combined assets of all the League's member associations of $5,000,000 and over are now $1,600,120,822, and of this amount approximately $91,000,000 is in seven institutions which have come into existence since 1934.