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## Savings Bankers Urged By Treasury To Promote Thrift And Encourage Voluntary Saving

Savings banks were called upon to do everything in their power to further emphasize the need for thrift at the present time in an address by John L. Sullivan, Assistant Secretary of the Treasury at the annual meeting of the Savings Banks Association of the State of New York at the Waldorf Astoria on Oct. 27. He told the bankers that "the Treasury, as you know only too well, has facilities for obtaining money—fresh, new money. But if it can possibly be avoided the Treasury does not want the new money that can be created by the Government directly, or by the banking system on behalf of the Government. Nor does it want, again if it can be prevented," he said, "the old money that comes from drawing out savings balances long salted away. What it does want is newly earned money out of the current income stream."

"Recently," said Mr. Sullivan, "there was a rumor that we of the Treasury considered the voluntary savings program a failure. Definitely this is not true. Sales of War Bonds are good and growing better. Approximately 20,000,000 workers are actively participating in the Payroll Savings Plan and are investing approximately 8% of their income in War Savings Bonds."

In his address Mr. Sullivan also said in part: "It might enable us to appreciate more keenly the magnitude

of our problem if we recall the extent of the Federal expenditures during the coming year. When one hears that the Federal expenditure in the fiscal year 1943 will be more than \$80,000,000,000 one is apt to register an immediate reaction that this is quite a large sum of money. But very infrequently do people evaluate such a huge sum in terms of income or in relation to the everyday facts of our economic life. Perhaps we are more impressed with our task when we learn that in the month of September, 1942, we spent almost \$6,000,000,000. That means that every week last month we spent almost \$1,500,000,000. Every day in September we spent almost \$200,000,000, including Saturdays, Sundays and Labor Day.

"There has been a great deal of publicity during the past week or 10 days about what the newspapers have described as the "greatest tax bill in American history" (Continued on page 1637)

## FROM WASHINGTON AHEAD OF THE NEWS

By CARLISLE BARGERON

Inasmuch as Jimmy Byrnes is the nation's economic czar, presumably the most powerful man in the land next to Mr. Roosevelt, it might be interesting to know how he got that way. It affords a study of what has happened to many men in recent years, what is happening to them every day, in fact.

Few appointments have met with such universal approval. Why? Because he is unquestionably one of the ablest men in Washington. Furthermore, he is one of the most popular. There is nothing radical about him. His whole background is that of Jeffersonian Democracy—the school of Carter Glass, Pat Harrison, Joe Robinson. He has long been a member of Washington's famed dinner clubs which are made up of bankers and professional men. There is not a bona fide New Dealer among them.

Now, after you have said this, you get back to the inescapable fact that Jimmy is a New Dealer. Rather, he has come to be a New Dealer. He is not one at heart. If he were President instead of economic czar, his administration would be conservative. But as matters stand, he will administer his office as Mr. Roosevelt wants him to administer it. He is Mr. Roosevelt's man. He feels deeply

obligated to him. Being a gentleman of the old Southern school, he isn't going to run out on the man who has brought him to the top of the ladder. The difference between him and a man like Adolph Berle is that he won't originate any radicalism as economic czar, but there are plenty of other administrators who can channel their ideas through Mr. Roosevelt and if they come down to Jimmy from the President, he will carry them out—and what is more, very efficiently.

As a Senator, he was one of the first to become alarmed about the New Deal back in early 1938. He was the one who started the revolt among the Southerners. The New Dealers had shown their teeth. They were saying frankly that there was no room in the party for men like Byrnes, Harri-

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## Notice To Our Readers

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

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## THE FINANCIAL SITUATION

What has become popularly known as "the manpower problem" seems now to be near the head of the list of questions vexing the official mind. In respect of the confusion of counsel which seems to prevail on all sides, this "problem" appears to be a worthy successor to the rubber "problem" about which so much was heard until a short time ago. A close kinship is likewise discernible in the repeated and dire warnings about what is likely to happen if we do not take effective action promptly—and, for that matter, about the unpleasant shape of things to come even if adequate steps are taken. As to precisely what steps should be taken, there is no observable unanimity of opinion in official circles. On the contrary, there would appear to be about as many views on the subject as there were concerning what we should do about the shortage of rubber.

### What Is The Problem?

Labor leaders have recently visited the President to oppose proposals for a draft of "total manpower." Meanwhile a labor-management policy committee of the War Manpower Commission has presented an interim report to the President with sweeping recommendations, although no official word has been forthcoming concerning the precise content of this document. What the President will do next, the future must disclose, but drastic steps seem to be pending. Precisely what is this "manpower shortage?" To what is it to be attributed, and what are the common-sense remedies? In seeking answers to these questions we shall do well to avoid reasoning by analogy from the manpower straits in which the British find themselves, an unfortunate practice much too prevalent in this country in many spheres.

### The Facts

Official estimates place our manpower requirements at about 62,500,000 by the end of 1943, although some support is given to the claim that we may need 65,000,000 both figures including the armed forces. Our "labor force", which oddly enough includes the armed forces, at the date of the latest available figures amounted to some 57,570,000 men and women, more or less. According to these estimates, then, we shall need to find somewhere between 4,750,000 and 7,250,000 new workers and new fighters by

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## Necessity Must Be Shown

For most of the war effort to date Government regulation of the industries, apart from price control, has been for the purpose of hastening conversion, conserving critical materials and securing priority for war work. Now it is concerned also with increasing the over-all efficiency of the economic organization and thus lifting the ultimate ceiling on production to the highest possible level. After providing for plants and equipment prodigally, they must be supplied with materials and labor, transportation, fuel and power—all without impairing equally essential work elsewhere, and all in the proper places and proportions for a balanced output. . . .

It is appropriate to add that in suppressing the influences which normally direct the economic organization, and taking over their functions, the Government assumes a stupendous responsibility, whose wise discharge requires the greatest ability in planning, organization and administration that the country possesses. . . .

Where necessity is shown and effective leadership provided, people willingly cooperate.—The National City Bank of New York.

But necessity must be shown and effective leadership provided.

## THE FINANCIAL SITUATION

(Continued From First Page)

the end of next year. Current plans call for an army of 7,500,000 by the end of 1943, which would require some 3,500,000 additional men, while the Navy is expected to need some 500,000 additional men. It would appear, therefore, that what is demanded of us is that we increase our civilian working force by between 750,000 and 3,250,000 during the next 12 or 14 months at the same time that the military is taking some 4,000,000 able-bodied men from civilian ranks.

If we assume that the armed forces now number around 5,000,000 which is rather too high, we now have some 52,750,000 men and women in the civilian working force. The true figure is probable nearer 53,000,000. Fourteen months hence, they tell us, this force must be at least 53,750,000 and possibly 56,250,000. And, they add, from the pool of potential workers (or from those already working) we must expect to lose 4,000,000 men to the armed forces. As thus set forth, and without further elucidation, it appears to be a formidable problem indeed. It is a formidable problem, but not nearly so difficult as one would naturally suppose from the array of figures presented. The reasons why the bald statistics overstate the case are not far to seek.

### Production Is The Thing

First of all, let it be observed that what is wanted is a given amount of work effectively done, not mere numbers of men at work. There is no necessity for any fixed number of men in the civilian working force save as that number are really required to get the job ahead of us done. A 10% increase in productivity per worker would serve all purposes quite as well as a 10% increase in the number of workers with productivity per worker unchanged. What they demand in terms is that we increase our "manpower" by 8 to 13%; what they appear to mean is that we supply the armed forces with the 4,000,000 additional men they believe they need and, at the same time, maintain our over-all production of civil and military goods or perhaps increase it by 6 or 7%. Expressed in this way the problem assumes a quite different appearance.

It is, therefore, obviously pertinent to inquire whether productivity per worker can be substantially increased. There is no observable reason to doubt that it can. One method of increasing output per worker is rather more than obvious. It is to increase the length of the work week—that is to say, have each man and woman in the civilian labor force work longer each day. Is there anything strange or unreasonable about such a suggestion? The average work week in industry is now less than 44 hours. In very few industries, even where armament production is now dominant, has the average work week reached 48 hours, and in none has it very substantially exceeded that length, which the Government itself has set as the most productive. Less than 49,000,000 men working 48 hours per week could, other things being equal, produce as much as 53,000,000 men working less than 44 hours per week, as a very simple arithmetic computation will show.

### 4,000,000 Added

Thus we appear to have ready at hand a method of providing the 4,000,000 men required for the armed services without reducing production at all—and without searching for more men. Of course, in practice it would not work out precisely as thus figured. For one thing, some 10,000,000 to 12,000,000 of the 53,000,000 now in the labor force are not industry but in agricultural pursuits. For these and some of the other groups of less importance there are no adequate statistics of the length of the work week. It probably may safely be taken for granted that, although their work week is longer than in industry, it is shorter than was the case 20 years ago when they suffered no observable harm from overwork. There is little doubt that these groups could work productively longer each week than they do now. Much the larger part of the "farm labor force" consists of small proprietors and minor members of their families. There is good reason to believe that the latter do much less work than they did 20 years ago. We have here a very considerable reservoir of farm labor.

Problems of adjustment and of transfer of workers, would of course, arise in the adoption of longer work hours to meet a manpower shortage—not the least among them being the adjustment of ceiling prices should penalty overtime rates continue as at present—but there is no reason to suppose that these difficulties would be greater than those which must arise if any other method of meeting the so-called manpower needs are adopted. It may not be true, it probably is not true, that the 4,000,000 men needed for the armed services could be found in so simple a manner, but it is true that it would represent a long, long step in that direction—without much question a much longer one than

can be taken in any other way, and certainly an infinitely longer one than would be taken by the sweeping conscription of labor now being ardently and persistently demanded by many in places of influence in Washington.

### A Supporting Attack

But the short work week is not by any means the only unnecessary factor limiting productivity of labor in this country today, and simultaneous elimination or reduction of these other impeding conditions would provide a supporting attack on the manpower problem. Faulty over-all management of the industrial war effort now severely limits productivity. Failure to have materials or equipment where they are needed when they are needed, holds men idle many hours and strongly encourages soldiering to "make the job last" until more work is ready. Confusion and uncertainty about the workings of the draft is a serious factor at many points. Turnover due to such factors, and also to the chaotic wage situation, is another cause of unnecessarily low productivity. Union restrictions, drives, and attitudes are hurting output in many instances. Eliminate, or even substantially reduce such harmful factors as these, and add reasonably to the length of time each worker stays on the job each week, and the manpower problem so-called would, to say the least, be a great deal more manageable than we are given to think. And, incidentally, in reducing the so-called manpower problem to much more manageable proportions, such constructive action would, we believe, soon reveal the extremely drastic curtailment of civilian goods now proposed as in substantial part needless and wanting in wisdom.

Factual analysis of our manpower situation, such as has been presented here, makes it rather more than obvious that many of the currently suggested programs do not touch the root of the real difficulty; lack realism and often even relevancy. Some of them, notably suggestions of a "draft" of all manpower under the direction of the same groups which are already so badly bungling the war effort, would obviously do much more harm than good. Advance accounts of the recommendations of the labor-management policy committee of the War Manpower Commission suggest that some of the current difficulties have here and there been recognized, but certainly do not give the impression that the fundamentals of our problem have been touched at all.

## The State Of Trade

Business activity continues to expand, with most quarters showing gains over the previous week. Most of the heavy industries continue to operate at or near peak levels, while retail trade is showing up exceedingly well, especially when compared with last year's figures.

Stimulated by an abrupt drop in temperatures, retail trade spurred sharply ahead of the previous week to a new high for the year, according to Dun & Bradstreet, Inc. Seasonal lines were found in brisk demand, with some of the heaviest anticipatory buying since early 1942 expanding volume on a wide front.

Department store sales on a country-wide basis were up 18% for the week ended Oct. 24th, compared to the like week a year ago, according to the Federal Reserve System.

Department store sales in New York City in the week ended Oct. 31st, were 22% higher than in the corresponding week of last year, according to a preliminary estimate issued by the New York Federal Reserve Bank. In the previous week, ended Oct. 24th, sales of this group of stores were 13% above those of the comparable week a year ago.

Engineering construction awards of \$103,282,000 in the week ended Oct. 29th, compared with \$87,995,000 last week and \$102,695,000 in the like 1941 period, "Engineering News-Record" reported.

The current week's aggregate brought 1942 volume to \$8,324,585,000, an increase of 59% over \$5,250,210,000 reported in the 44-week period last year. Federal construction accounted for \$89,750,000 of this week's total.

Electric power production in the week ended Oct. 24th, continued ahead of the preceding week and showed the widest gain over 1941 for any week this month, the Edison Electric Institute announced.

Output of 3,752,571 kilowatt hours compared with 3,717,360,000 in the preceding week and was

current operations will bring out more tonnage than those of any similar period prior to three weeks ago.

The week's output is estimated at 1,703,800 tons, compared with 1,729,500 tons last week. A month ago the industry operated at 98.6% and turned out 1,686,700 tons, while a year ago the rate was 98.2%, and production amounted to 1,622,400 tons.

Reports of 209 industrial companies for the first nine months of 1942 show, in a majority of cases, increased sales but substantial declines in net income after taxes, compared with last year, a tabulation by the National City Bank of New York showed.

These companies, representative of the larger manufacturing organizations, with an aggregate capital and surplus of some \$3,834,000,000 at the start of the year, had net income in the first nine months of \$552,000,000 after taxes, a drop of 32% from the 1941 level.

For the third quarter net after taxes was \$203,000,000, against \$164,000,000 in the June period and \$268,000,000 in the September quarter last year.

Of the 209 companies reporting, 122 in the manufacturing industries gave details of tax reserves. Net income before taxes for the first nine months was 9% higher than last year, but reserves for Federal income and excess-profits liabilities, amounting to \$1,028,000,000, were 45% higher. Such taxes took 72% of the net income before taxes, in contrast with 54% last year.

## Tank, Plane Volume Cut To Raise Quality

President Roosevelt disclosed on Oct. 23 that, as a result of actual battle experience, the war production program was being revised by reducing the unit volume of tanks and planes putting emphasis on greater power and strength.

The President told his press conference that the change-over will require essentially the same amount of materials as was called for in the original goals set in January—45,000 tanks and 60,000 airplanes, and he pointed out that any decrease in numbers will be offset by greater combat effectiveness.

Concerning his remarks, the Associated Press reported:

"One thing we always should remember, Mr. Roosevelt asserted, is that war changes plans. A year ago, he said, the Government made recommendations for what it considered the necessary munitions, using as a guide the experience of other nations during two years' war, but in another year, he said, those goals were changed because of further experience.

He mentioned tanks, for example. A year ago, he said, the Government had scheduled a large production of medium M-3 tanks, but experience in warfare particularly in the Libyan area since last January, led to a changeover to the new M-4, a larger tank.

The question also arose, Mr. Roosevelt said, as to whether the unit production goal had been set too high in view of the problem of transporting equipment to battle areas. Now, he said, we are not turning out as many tanks as the program called for, but we are turning out the same weight of tanks because of an increase in the unit size.

To a question as to whether this same change applied to airplanes, Mr. Roosevelt replied in the affirmative, as he did to another inquiry whether the result would be "harder hitting power." The planes, he said, will have more gun power and longer range.

# Always Too Late

By DR. B. C. GOSS

If one were asked to characterize the Administration's performance in the field of war economics, he could no better describe it than to say the Administration always and unfailingly manages to act too late. It always moves so late that some of the more repressive measures it adopted counted for little in the fight war economics must wage against inflation.

This generalization can best be illustrated by citing the history of the Administration's efforts to control the upsurge of wages. Obviously, as President Roosevelt himself so often admitted, unless wages are controlled the economy cannot be controlled, however many other segments are frozen. Yet despite his admission, the Administration has always moved gingerly and too late towards wage control. Even the latest move, the overall freeze directed by former Supreme Court Justice Byrnes, almost surely will prove too late—if indeed it proves to be a freeze at all.

Stop and consider the Administration's record on wage control. In the fall of 1941, economist after economist, led by Bernard M. Baruch, warned the Administration that wages must be controlled along with prices to avert inflation. Moreover, in the midst of the debates on the first price control bill, Canada set the example for this country by freezing prices, including farm prices, and wages too, at the October level. But the Administration economists, after a hasty trip to Canada, promptly announced that no such drastic step was yet needed in this country.

Hardly had the new price bill become law until even Leon Henderson began to see that an error had been committed in failing to control wages. Finally, in April of this year another one of the by-now-familiar inflation crises occurred, and the President announced that farm prices and wages were to be controlled. Six months after Canada acted, the Administration finally admitted that something had to be done about controlling wages!

And what was that something that was done about controlling wages? Why it turned out to be the famed—or better, ill-famed—"Little Steel" doctrine. Instead of a method of wage control that doctrine has proven a means of boosting wages. No one as yet can tell just what this doctrine will mean to the nation in higher wage costs, for the customary data on hourly wage averages appear weeks after the period they cover, and in addition, many weeks elapse before a wage-boosting spiral such as the Little Steel ruling touched off reaches its peak. One example, however, will suggest just what this form of wage control has meant.

According to the American Iron & Steel Institute, the average hourly pay rate of steel industry workmen in June was around 99 cents. By August, when the first of the steel companies began putting the "Little Steel" wage increase into effect, the average had risen to \$1.04, and by September, the hourly average was up to \$1.08. Yet, the upward spiral in steel wages has not yet ceased, for some 40 to 50 steel companies are awaiting an edict from the War Labor Board directing them to boost rates by 5½ cents an hour.

In September of 1941, when Baruch and many other authorities were urging the Administration to clamp down on wages, the average hourly rate paid in the durable goods industries—the industries turning out most of the war goods—was 84.3 cents, according to the Department of Labor. In August of 1942, the latest month for which data are available, the average hourly rate paid in these industries was 96.6 cents. The rise in the year was 14.6%.

The increase by far exceeded the rise in the cost of living, which actually rose only about 9% in

this period. Hence, it meant a sharp addition to the excess spending power that was making inevitably for inflation. Yet, one must remember that the August, 1942, figures do not yet reflect the impact of the wage boosting ordered by the War Labor Board under what is perhaps sardonically named "wage control." When the October averages are available, showing as they will the big increases ordered in the automobile and other industries, as well as in steel, we will then see wage rates that inevitably and quickly should touch off the inflation fireworks.

This startling and almost perpendicular rise in wages, along with the soaring farm prices, precipitated the Administration's third inflation crisis and caused the enactment of the second price control law and the appointment of Justice Byrnes as Director of Economic Stabilization. Presumably at long last the Administration had slammed down the lid on wages.

But has it? Since the Executive Order creating Byrnes' office was signed, wage increase directives have continued to emanate from the War Labor Board's quarters. Sometimes, it is stated that the wage increases reflect cases started long before the latest wage freeze. Sometimes we are told that the wage increase is necessary to stop labor migration, but whatever the reason, increases have been approved.

As a result one must conclude however regretfully, that the Administration again has moved too late—too late to prevent excessive wages from causing inflation. Viewing the economic scene objectively, one must fear that wages had already been boosted to too dangerous levels before Byrnes was appointed, so that even if all increases were stopped from thence on, the action would have been too late. But certainly if even after wages have been boosted to present unprecedented levels, still further increases are to be ordered to conceal the Administration's failure to solve the labor migration problem, or to foster some pet economic reform—then how can you escape the conclusion that wage control has come too late?

But the record on wage control while startling and damning does not differ materially from the Administration's record of being too late in every branch of war economics. With regard to taxes, the Administration announced the need for a new tax bill at the outset of the war but delayed presenting its proposals until March. Even then it further delayed Congressional action on the new law by changing its mind on such matters as personal exemptions, and the need for forced savings. In rubber, it took a breakdown and an approaching Congressional crisis to force the Administration to bring order out of bureaucratic chaos.

In food, the official attitude for many months was that no possible shortage of any consequence could ever appear. Now action has so long been delayed that another dictator, similar to the dictator in rubber must be appointed. And the story is similar in the field of manpower. Nursing along the various bureaus, hesitant to offend any bureaucratic or union clique with an interest in manpower, action has been delayed almost as long as was the case in wage control with results that may well prove as disastrous unless a miracle—such as happened

in rubber when the Baruch Commission made its report—comes to the rescue of the nation and the Administration.

It is certainly not the purpose of the writer to argue for the imposition of drastic regimentation or for the appointment of dictators to solve the nation's problems in the field of war economics. Many of these problems could have been solved more easily and more equitably by use of other and more democratic techniques, if the problem had been recognized and action had been prompt.

But the point is that the Administration on its own volition always comes around to the use of extreme regimentation and the appointment of dictators and subdictators, often selecting the dictatorial method when other weapons were available. Now if one must use the dictatorial weapon, one should perceive that its one great advantage is the ability to move swiftly and surely towards its objective. If the Administration always insists upon regimented controls it should at least give the nation the only benefit that regimentation can provide.

But, owing to its subservience to the labor and farm blocs, the Administration has unfailingly denied the nation the benefits of swift action, the only benefit that could result from the adoption of the dictators' ways. The Administration always and invariably acted too late.

## Sees Absenteeism Cost Heavy This Year

Absenteeism this year will cost war industry 121,000,000 man-days, the equivalent of \$1,000,000,000 in wages to war workers and enough time to build 5,000 Flying Fortresses at the present rate of production, Dr. Victor G. Heiser, medical consultant to the National Association of Manufacturers' Committee on Healthful Working Conditions, declared in Boston on Oct. 29.

Dr. Heiser, author of "An American Doctor's Odyssey," "Toughen Up, America!" and other books, told the Round Table on Health in Industry, sponsored by the Associated Industries of Massachusetts, that this estimated loss in man-hours, due to sickness, accidents and other causes, "means a broad grin on the faces of Hitler, Mussolini and Hirohito—a grin which must be wiped off, and wiped off soon." He pointed out that 121,000,000 man-days "in the right place" not only would mean 5,000 Flying Fortresses this year, but it would mean 10,000 of the huge bombers "when mass production gets into full swing; 21,000,000 Garand rifles, or 161,000,000 500-pound demolition shells."

Despite "industry's best efforts to forestall every possibility for accidents on the job," Dr. Heiser said, "42,600 war production workers have been killed, either on or off the job, since Pearl Harbor."

"Add the number injured," he said, "and the record is this: 11,000 war workers killed or injured on and off the job every day since Dec. 7." Fatigue and malnutrition contribute to the record, said Dr. Heiser, who long has championed industrial nutrition educational programs. He said America spends \$9,000,000,000 for 130,000,000 tons of food every year "and yet we find that approximately three-quarters of our wage-earning families—like so many of the rest of us, I fear—pay so little attention to what constitutes good diet that they must be classified as 'ill-fed,' according to recommended standards of good nutrition."

Calling on management, labor, government and medicine all to get together in working out a "Prescription for Production," Dr. Heiser said:

"One of the great miracles on the production side has been the feat performed by the machine tool industry in duplicating its

production capacity in 2½ years. But all the machines in the world are useless unless we have healthy workers to keep them running.

"If we were to do a job in improving the health and efficiency of our industrial manpower comparable to the job we have done and are doing in increasing the production capacity of our machines, we could deal the Axis a blow that would send them reeling. A full house still beats three of a kind—in poker and in the battle of production."

## Steel Head Sees No Man Power Shortage

Eugene G. Grace, President of Bethlehem Steel Corp., at a press conference following the directors' quarterly meeting on Oct. 29, declared that shortage of man power in American industry is unlikely, with ever-mounting demand for labor by war plants being offset by progressive reduction of activity in factories producing non-essential civilian goods.

The New York "Herald Tribune," in indicating the remarks of Mr. Grace, also said:

"As a specific example, Mr. Grace cited a Bethlehem canvass for 5,000 additional workers for a newly completed war factory in Pennsylvania. Many times the number of men required, either skilled or capable of being trained quickly for the job, were found available in the district.

"The steel man, describing Bethlehem's labor situation as 'probably average' for the country, cited figures showing a tripling of its working forces since 1939 and transfer of 18,000 men to the armed services through enlistment or draft without loss of any production whatever due to inadequate man power. Women, he added, account for only a small percentage of hourly workers, but more are being employed in lines hitherto filled by men, including shipyards and machine shops.

"I do not feel we should get excited about not being able to man our industries," he commented. "As far as I can see, we are putting as many men out of work by shutting down civilian industries as are required for the services and warwork jobs."

## WPB Setting Up Labor Requirements Group

Organization of the Labor Requirements Committee of the War Production Board to recommend to the War Manpower Commission the relative importance of various types of labor in production centers throughout the nation, was announced on Oct. 27 by Chairman Donald M. Nelson. The Committee, which has carried on certain phases of its work for the last several weeks, is under the Chairmanship of Ferdinand Eberstadt, Vice-Chairman of WPB on Program Determination.

Vice-Chairman of the Labor Requirements Committee, whose appointment was made today, will be Carl J. Goff, of Cleveland, Assistant President of the Brotherhood of Locomotive Firemen and Enginemen. Mr. Goff also will serve on the staff of the Office of Program Determination as its advisor on labor requirements in the capacity of Chief of its Labor Requirements Branch. In addition to Messrs. Eberstadt and Goff, the Committee includes representatives of ten government agencies, as follows:

Marshall E. Dimock, Director, Recruitment and Manning Organization, War Shipping Administration.

Rear Admiral C. W. Fisher, USN, Director, Shore Establishments, Navy Department.

Edwin M. Fitch, Assistant Director, Division of Transport Personnel, Office of Defense Transportation.

Lieut. Ralph Hetzel, Manpower Consultant, Labor Production Division, WPB.

David Meeker, Assistant Director, Office of War Agricultural Relations.

Brig. Gen. Frank J. McSherry, Director of Operations, War Manpower Commission.

Daniel S. Ring, Director, Division of Maritime Personnel, Maritime Commission.

Harold Stein, Executive Secretary, Civilian Supply Committee, Office of Civilian Supply.

L. S. Thompson, Jr., Special Assistant to the Director of Industry Operations, WPB.

Robert W. West, Expert Consultant, Control Division, Services of Supply, War Department.

In general, the Committee will: "Inform the War Manpower Commission on the scope of the war supply program and on the major changes in that program that will affect labor requirements.

"Make recommendations to the War Manpower Commission on the relative importance of less essential industries as a basis for transfer of workers to more essential activities.

"View from the standpoint of manpower the feasibility of production programs submitted to the office of program determination."

## Constructive Change In Bank Mfg. Policy

While six years ago few savings bank mortgages were on an amortized basis, by the end of 1941 60% of these mortgages called for periodic principal reduction, William R. White, New York State Superintendent of Banks, told the Savings Bankers of the State at their Association convention in New York City on Oct. 27. Mr. White stated that "this change in policy with respect to amortization is perhaps the most constructive development which has occurred in many years." Reviewing the changing character of bank assets, Mr. White pointed out that since 1936 the bond portfolios of savings banks increased \$400,000,000. "Holdings of Governments" he said "more than doubled, reaching a total of nearly \$2,000,000,000, while the investment in rails was cut approximately in half. As a result, the yield on bonds declined from 3.18% to 2.70%, one of the contributing factors to the problem of earnings."

According to Mr. White, during the six year period the savings banks of the State had \$974,000,000 net income, of which \$616,000,000 was used to pay dividends to depositors, the other \$358,000,000 being used for reserves or charge-offs. "In other words," he noted, "depositors received about 63% of net income while the other 37% was used to improve banks assets with resulting future benefits to depositors."

Because earnings are so vitally important to the whole future of our savings banks, the Superintendent pointed out that it is imperative that the highest possible standards of management be maintained. He also said:

"The selection and promotion of personnel must be carried out with the single purpose of achieving the highest possible degree of efficiency. Trustees particularly must recognize that the direction of savings banking in these trying times demands courage and talent of a high order."

Mr. White referred to numerous phases of the war effort which bear directly upon the business of savings banks. He stated that while many recent regulations had presented new problems, savings banks were prepared to meet the situation and were giving their full support to all measures adopted in the interest of winning the war.

## American Cargo War Risk Reinsurance Exch. Has Credit Balance After Three War Years

After three years of actual war experience, marine insurance companies which have written more than \$16,500,000,000 of war risk insurance on shipping had, as of Sept. 30, 1942, a credit balance on cargo war risk insurance which they are continuing to write and a debit balance on hull war risk operations which have been discontinued and taken over entirely by the War Shipping Administration.

Figures made public on Oct. 27

by the Information Committee of the American Institute of Marine Underwriters show that the American Cargo War Risk Reinsurance Exchange as of Sept. 30 had a credit balance distributable to members of \$10,014,186. This, it is announced, represents the difference between net premium income, after all adjustments and Exchange expenses, of \$171,629,459 and losses paid and outstanding of \$161,615,273 for the entire period of exchange operations from inception in June, 1939 to the end of September, 1942. For the first nine months of this year, net premium income on the same basis amounted to \$99,963,696, against losses of \$129,660,546 leaving a debit balance for this period of \$29,696,850. The Committee's report also had the following to say:

"Since there is normally a lag of several months in determining premiums on business written under open contracts, the managers of the Cargo Exchange estimate that there were outstanding net premiums at the end of September in excess of \$20,000,000. As there is a much shorter lag in the report of losses it is expected that a substantial part of these outstanding premiums will be realized, thus reducing the debit balance for the nine months of this year and increasing the actual credit balance shown on the books as of Sept. 30.

"The American Marine Insurance Syndicate, which discontinued writing war risk hull insurance earlier this year and has practically wound up its war underwriting operations, showed as of Sept. 30 a debit balance of \$24,263,427, representing the difference between net premium income of \$35,737,892 and incurred losses of \$60,001,319 for the period from June, 1939 to the end of September, 1942. Only four ships now remain at risk with outstanding insurance of \$2,691,375. When final reports are available on these ships the Syndicate's war risk operations will be written off.

"The balances from war risk operations of both the Exchange and the Syndicate are subject to administrative expenses, taxes and other charges of the individual member companies.

"From the inception of war risk insurance in June, 1939 to the end of September, 1942, the insurance companies had insured cargoes and vessels for a total of \$16,579,876,000. Cargo liabilities for this period aggregated approximately \$12,770,433,000 and hull liabilities \$3,809,443,000.

"The peak of monthly losses incurred as the result of ship sinkings was reached in June of this year and since then the trend has been steadily downward, the Committee revealed. This has been reflected in two recent general reductions in cargo war risk rates and another partial reduction, the first downward revisions since Pearl Harbor.

"Despite these reductions, ocean war risk rates on cargo shipments now average between 12½ and 15%, compared with about 1% before Pearl Harbor. The higher scale of rates, coupled with a reduction of from 50 to 75% in liabilities, is expected to result in an improved margin of premiums over losses paid in the final months of this year, offsetting the less favorable showing when ship sinkings were at their height.

"The credit or debit balances resulting from the operations of the Cargo Exchange and the

Marine Insurance Syndicate are spread among approximately 140 insurance companies which do all but a small portion of the private marine insurance business in the American market. These companies at the end of last year had an aggregate surplus for protection of policyholders of \$1,174,622,000, with cash and government security holdings of \$693,661,000."

## Advises War Agencies To Use Cheapest Power

Present Roosevelt disclosed on Oct. 27 that he has directed the heads of the war agencies to use the cheapest sources of electric power "consistent with war requirements" when arranging power supply for war plants or establishments.

The President also asked the Federal Power Commission to cooperate by using its emergency powers "when necessary to make available transmission and other appropriate services for the effectuation of this policy" and outlined the procedure which the FPC should follow, including reviewing and renegotiating existing contracts and determining whether power rates and conditions are "reasonable."

With the disclosures on Oct. 27, it was indicated that the power policy was laid down by Mr. Roosevelt in a letter dated Sept. 26 and sent to Secretary of War Stimson, Secretary of the Navy Knox, Chairman Emory S. Land of the Maritime Commission; Secretary of Commerce Jesse Jones, in his capacity as Chairman of the Defense Plant Corp.; Chairman Donald M. Nelson of the War Production Board, and John B. Blandford, Jr., Administrator of the National Housing Agency.

The President's letter to them follows:

"It is of the utmost importance that the costs of the war program be held to a minimum consistent with the fullest and most rapid progress. In arranging for the electric power supply for war plants or establishments, the cheapest sources of power consistent with war requirements should be used.

"Public and private power supply agencies should be advised as far in advance as possible of the prospective location and requirements of plants or establishments on or near their systems in order that they may assist in solving the power supply problems involved at the lowest possible cost. In many instances it should be possible to lessen power costs if provision is made for power to be supplied to the consuming agencies directly from the power generating agency. If the lines of the lowest cost power supplying agency do not connect immediately with the war plants, there is no reason why connecting lines of other companies or agencies should not be utilized for a reasonable transmission charge. I am asking the Federal Power Commission to cooperate by using its emergency powers when necessary to make available transmission and other appropriate services for the effectuation of this policy.

"I do not think that companies not themselves having sufficient power to supply war plants should be purchasing power from neighboring public power agencies for resale to these plants at a substantial profit. In such cases business-like procedure would suggest that the power be purchased di-

rectly from the power supplying agencies and reasonable transmission charges be paid to the transmitting companies.

"Adoption of my suggestion will not discriminate in favor of public or private power but will accord with sound business practice."

In his letter to FPC Chairman Leland P. Olds, Mr. Roosevelt requested that the Commission establish the following procedure to effectuate the policies set forth in the letter above.

"Outline of procedure for purchase of power for war plants and establishments:

"(1) Each agency directly or indirectly responsible for power procurement to designate a power procurement officer to handle all contracts and arrangements for electric power as hereinafter provided.

"(2) Each agency to direct its representatives to report promptly to the power procurement officer each proposed procurement of power, in excess of a reasonable minimum, which involves Government approval or any Government obligation. Such reports to include all essential facts in accordance with forms approved by the Federal Power Commission.

"(3) Power procurement officers to refer such reports promptly to the Federal Power Commission, together with proposed contracts, for determination whether cheaper power supply is available and, if so, how it can be delivered. Federal Power Commission to issue necessary orders after consultation with War Production Board as to priorities and allocations.

"(4) Federal Power Commission to determine whether proposed rates and conditions are reasonable and, if unreasonable, to fix proper terms and otherwise cooperate with power procurement officers in effectuating arrangements necessary for securing power on best possible terms.

"(5) Review and re-negotiation of existing contracts to be in accordance with above procedure."

## Limitations Statute Off In Trust Cases

President Roosevelt signed on Oct. 10 the bill suspending until June 30, 1945 the running of the statute of limitations applicable to violations of the anti-trust laws. The measure had passed the Senate on Sept. 17 and the House on Oct. 5.

The enactment of this legislation was urged by Secretary of War Stimson, Secretary of the Navy Knox, Attorney General Biddle and Thurman Arnold, Assistant Attorney General in charge of anti-trust cases. These four officials had written to the President last March 20 that some pending court prosecutions, if continued would interfere with the production of war materials and accordingly suggested a procedure to be followed in such cases, which the President approved (as indicated in our issue of April 2, page 1358).

It was emphasized at that time that no one who has violated a law shall escape ultimate prosecution. To make sure that no one escapes by the running of the statute of limitations, Congress has now passed this extension of the statute.

The bill expressly states that "it shall not apply to acts, offenses, or transactions which are already barred by the provisions of existing laws." Therefore, the Senate Judiciary Committee said, it will not operate to revive causes of action against which the statute of limitations has now run.

Under no circumstances it is stated will there be any suspension or postponement of prosecution for any actual fraud committed against the Government.

## Average Hourly Earnings In Mfg. Industries Rose 1.7% From Mid-July To Mid-August

The average hourly earnings of wage earners in manufacturing industries rose 1.7% between mid-July and mid-August to 86.4 cents, Secretary of Labor Frances Perkins reports. "The gain since a year ago was 15.9%," she said, "and reflected overtime premiums, increases in basic wage rates, and expansion in the number of workers in industries where relatively high wage scales prevail."

Secretary Perkins further stated:

"In the durable-goods industries, where war production is largely concentrated, workers averaged 96.6 cents an hour in August, a gain of 2.2% over the preceding month and an increase of 16.7% since August, 1941. This average was nearly ½ higher than the figure for the non-durable-goods group (73.8 cents), which nevertheless had increased by 0.8% over the month and 12.1% over the year interval.

"During the month ending Aug. 15, 1,350 manufacturing plants out of a sample of about 35,000 specifically reported general wage-rate increases averaging 7.7% and affecting 832,000 of the 9,100,000 workers covered. Nearly three times as many durable as non-durable-goods workers benefited from these wage increases. About two-thirds of the workers receiving wage increases were in the following industries: shipbuilding, steel, and cotton goods.

"The average hours worked per week in all manufacturing industries combined increased by 1.0% to 42.8 between July and August, more than offsetting the less-than-seasonal decline of 0.5% in July. Compared with a year ago, average weekly hours showed a gain of 4.9%. The average work week in the durable-goods group was 45.2 hours in August in contrast to 39.9 for the non-durable-goods industries. The former represented gains of 1.1% over the month and 6.4% over the year, while the latter represented increases of only 0.8 and 2.0%, respectively.

"Of the 43 durable-goods industries for which man-hour information is regularly published only four averaged less than 40 hours per week, while 25 worked more than 44. The machine tool industry reported an average work week of 52.8 hours, which was about the same as in July, but 3.9% higher than a year ago. Four other durable-goods industries reported working hours in excess of 50, namely metal working machinery not elsewhere classified (56.9), machine-tool accessories (53.5), pumps (52.1), and sewing machines (51.0).

"The average weekly earnings in all manufacturing industries combined were \$39.54, about 1/7 lower than the \$45.83 reported for the durable-goods group, but ½ higher than the average (\$29.12) for the non-durable-goods group. The gains over the month and year intervals were 2.4 and 23.9%, respectively, for all manufacturing, 2.8 and 25.9% for the durable-goods group, and 1.7 and 15.3% for the non-durable-goods group.

"All of the non-manufacturing industries surveyed reported increases in average hourly earnings between mid-July and mid-August as well as between August 1941 and August 1942. The highest average hourly earnings in the current month were in private building construction where workers averaged 117.4 cents an hour. Bituminous-coal miners earned 109.7 cents an hour, crude oil production workers, 102.2 cents, electric light and power employees, 99.4 cents, and anthracite miners, 99.2 cents. The largest gains over the year interval were in building construction (16.7%), metal mining (14.0%), and quarrying and non-metallic mining (13.5%).

"Coal and metal miners reported substantial increases in the average hours worked per week since July when the observance of the July 4 holiday had resulted in declines over June. Street rail-

ways and busses reported 1.6% more hours worked per week, reflecting the continued demands being placed on public transportation facilities. The changes over the month in hours in the remaining non-manufacturing industries covered were not pronounced. Average weekly earnings followed, in the main, the pattern set by the average weekly hours and hourly earnings."

(It should be noted that manufacturing plants converted to war production are continued under their peace-time classifications.)

## West Coast Business 90% In War Effort

Leading West Coast business executives state that 90% of their operations are devoted to the war effort—50% in direct war production and 40% indirectly in war output—according to estimates revealed in the 14th semi-annual questionnaire survey of business sentiment compiled by Strassburger & Co., members of the New York and San Francisco Stock Exchanges. Returns from the questionnaires, which were sent to key executives on the Pacific Coast, brought out many interesting facts relating to the effect of war conditions on Pacific Coast business, it is pointed out. The advices, made available Oct. 22 also state in part:

"The consensus of opinion predicts a level of general business for the next six months on the Pacific Coast 8.5% above the level of the like 1941-42 period. Although a large majority of the executives predicted an increase in general business, there was a wide variation among the individual opinions as to the percentage increase, or decrease in their respective fields. Some of the returns which showed a high percentage of their business devoted to the war effort, indicated that they were already at capacity operations and, therefore, could not look for any further increase, while others, in the same category but not at capacity, predicted as much as a 20% increase in their own field. On the other hand, real estate, insurance, printing and publishing, lumber, logging, and the construction industry predicted decreases in some cases as high as 55%.

The survey brought out that for the coming six months:

1. Business is expected to gain 8.5% over the same period a year ago. This would be a new high for the coming six months in the Strassburger Index of Pacific Coast Business Activity, and an increase of 11% over the six months ended Oct. 1, 1942.
2. Employment will decrease 6%, and payrolls will remain practically the same.
3. Companies on the average are engaged 50% directly in the war effort and 40% indirectly in the war effort.
4. Gas rationing will present serious difficulties in personnel transportation to approximately 60% of employers.
5. The average estimate on the length of the war has increased to 2¾ years. (Six months ago the estimate was 2½ years.)
6. Fifty-four percent believed that price regulation has been successful and that ceiling prices can be maintained.

## Savings Bankers Urged To Promote Thrift

(Continued from First Page)

“It is perfectly proper to refer to the Revenue Act of 1942 as the largest revenue-raising measure ever enacted by the Congress. It has very substantially increased the tax burden of the people of this country. To evaluate the burden it imposes upon the people of America, however, one must consider the ability of the people of America to bear this burden at this particular time.

“In the calendar year 1940 the total income payments made to all people in America were about \$76,000,000,000. In this same year the total personal taxes paid by individuals to Federal, State and local taxing authorities amounted to \$2,500,000,000, or about 3% of their personal incomes.

“Two years later in the calendar year 1942, total income payments to individuals are estimated to amount to \$115,000,000,000 while total personal taxes paid to all taxing authorities will be only a little over \$6,000,000,000.

“During the calendar year 1943 individual income payments will probably reach \$125,000,000,000. Next year we estimate total personal taxes paid to all taxing authorities will be not more than \$15,000,000,000. In other words, while individual incomes in 3 years will have risen \$49,000,000,000 from \$76,000,000,000 in 1940 to \$125,000,000,000 in 1943, personal taxes will have risen only \$12,500,000,000. The total personal taxes of not more than \$15,000,000,000 to be paid by all individuals in America next year represent less than 1/3 of the increase in the incomes of the American people in the last three years. The total personal taxes to be paid by all individuals in America next year represents only 12% of the income the American people will receive that year.

“I should like to stress the point that the figures I have given you relate to personal incomes and personal taxes. They include neither the undistributed profits of business, nor the taxes paid by business. Neither do they include excise taxes paid by either business or individuals. However, they do include all personal taxes to be paid by the people of America to Federal, State and local taxing authorities in the form of individual incomes taxes, estate taxes, gift taxes, and real estate taxes on owner-occupied homes. After paying their tax bill in calendar year 1943, the American people will have left out of their incomes \$36,000,000,000 dollars more than they had after paying their taxes in 1940. Viewed from this perspective the “greatest tax bill in American history” obviously has left in the pockets of the American people ample funds to lend their government to finance the war.”

Mr. Sullivan pointed out that “if inflation is to be avoided, the unprecedented sums now being spent on the war must be matched by unprecedented savings by the people out of current income. Only in this way can we preserve stability of prices, stability of wages, stability of costs, and stability of morale.” He added:

“It would be a mistake to take easy comfort in the fact that savings today are the largest in our history—at the annual rate of a little over \$24,000,000,000 a year. That total is certainly impressive when judged by past achievements. But judged by present needs, against the background of the increased income of the people, it is not enough. Many new forms of additional savings must be inaugurated. Savings-as-usual, like business-as-usual, will not satisfy the needs of the time.

“Non-inflationary financing requires that the money that would otherwise be spent on consumers' goods be drawn, either by taxes or by borrowing, into the Treasury. Only by drawing in money that would otherwise have been spent can the Government check the tendency for price rises created by its own spending program.”

Noting that “since 1938 the Savings Banks in the State of New York have been permitted to sell Savings Bank Life Insurance,” Mr. Sullivan went on to say:

“The average family wage-earner puts from 6 to 8% of his income in insurance. Is this not an appropriate time to campaign with renewed vigor for the purchase of Savings Bank Life Insurance?”

“Other specific modes of saving suggest themselves: The creation of club accounts for War Savings Bonds; school savings accounts; saving for a new home in the post-war period. And if people wish to get rid of their money, urge them to pay off old debts or to buy War Savings Bonds. War Savings Bonds are one item for sale today in unlimited, unrationed quantity.

“People today should be encouraged to save for specific purposes, and particularly for the payment of Federal income taxes. Almost every employed person will have to pay an income tax this year, and people are going to find this hard to do unless they save systematically to meet the payments as they fall due. Here is certainly a place where the savings banks can be of unique service, for it is you who have taught the people the habit of thrift and it is to you the people come for advice on all problems of savings.

“Some banks have set up income tax savings clubs similar to the usual Christmas savings clubs. In this way they are attracting additional deposits and at the same time rendering a service to their depositors and a very real service to the nation.

“Another way you can help, perhaps better than any other group, is to encourage your depositors to buy Treasury Tax Savings Notes on a regular schedule. As you know, these Notes are a convenient means of setting aside current income in a tax reserve. They are designed primarily as a service to the taxpayers and you can urge their purchase primarily as a service to your depositors. The Notes also, of course, help counteract inflationary tendencies by removing that much money from circulation while the tax liability is accruing.”

## From Washington

(Continued from first page)

son, Jack Garner, Carter Glass and Walter George. Their attitude had been disclosed a few months after their 1936 victory by Stanley High in a magazine article entitled “Who's Party?” Jimmy went to Garner early in 1938 and said the New Deal had to be checked. Under Garner's encouragement he launched a fight to cut all governmental expenditures by 15%. It was a very definite revolt on the part of the Conservative Democrats and Jimmy was in the forefront of it. A few months later when the New Dealers sought to purge Cotton Ed Smith in South Carolina, Jimmy went down to help him. He coined a slogan: “There are no Senators in Germany,” which was quite effective in Smith's victory.

The Southern Senators came back to Washington for the session of 1939 loaded for bear. They were going to put the New Dealers in their place. But the New Dealers went to work on Jimmy. The New Deal columnists began to flatter him. They wrote day after day how with Garner and George and others having run out on the Chief, he was looking more

and more to level-headed Jimmy to represent him on the hill.

Well, a man can't accept such an assignment as this without being loyal to the man who gave him the assignment. In becoming the President's personal representative, more or less, on the hill, then he had to do what the President wanted him to do. Otherwise he would not be that personal representative long. So it came about that in a short while Jimmy had subordinated his personal beliefs, his apprehensions. He threw himself completely into the New Deal. He was one of the very few Southern Senators who campaigned for Mr. Roosevelt's reelection in 1940. The President has richly rewarded him, as we all know, but in so doing he has made Jimmy that much more obligated to him.

This is not written in any criticism of the likable, capable Jimmy Byrnes. It is simply to say that it is ridiculous for Conservatives to hail his appointment with delight and to assume that his office won't be administered in a New Dealish way.

I recall when the Conservatives were terribly disappointed, and so were his friends, that Pat Harrison didn't get the Senate leadership when Joe Robinson died. Here is one of Pat's friends who was tickled to death. He would have had to become a New Dealer himself.

You see, it isn't a case of a man like Jimmy or Pat exercising a moderating influence over the President in positions of high responsibility. If they complain or urge moderation, he simply looks at them and asks engagingly:

“Now, Jimmy (or Pat), is it a New Deal government or not?”

This situation ought to be made quite clear. There is a lot of misunderstanding about it. In the election just held in Michigan, Prentiss Brown received thousands of votes from Conservatives on the ground that while they despised the New Deal, Brown was himself O. K. There was nothing radical about him, they contended. This is true. Their thought was that for Michigan to have a man on the Senate Finance Committee, and one who was rising to leadership, was to have a man who would exercise a moderating influence. This is utter bunk. The moment Brown ceased going along with the New Deal, regardless of his own convictions, that very moment he ceased his ascension to leadership. Look at Alben Barkley, the present Senate leader. A few years back, would you have called him a radical, a regimenter, any of the other terms used? But he has become so deeply enmeshed that I doubt seriously he ever has a thought of his own any more.

Joe Robinson's friends are convinced that his forced espousal of packing the Supreme Court literally ate his heart out. His choice was either to do this or to repudiate the head of his party. In the latter event the denunciation, smear and abuse he would have had to take, would have been unbearable.

## Money In Circulation

The Treasury Department in Washington has issued the customary monthly statement showing the amount of money in circulation after deducting the moneys held in the United States Treasury and by Federal Reserve banks and agents. The figures this time are for Sept. 30, 1942, and show that the money in circulation at that date (including, of course, that held in bank vaults of member banks of the Federal Reserve System) was \$13,703,465,041, as against \$13,199,882,224 on Aug. 31, 1942 and \$10,162,760,918 on Sept. 30, 1941, and comparing with \$5,698,214,612 on Oct. 31, 1920. Just before the outbreak of the World War, that is, on June 30, 1914, the total was only \$3,459,434,174.

## A Safe Haven For Investment Funds

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

- **American Savings & Loan Association**  
17 East First South Street, Salt Lake City, Utah
- **Atlanta Federal Savings & Loan Association**  
22 Marietta Street, Atlanta, Ga.—Write for free booklet, “A Safer and Better Plan.”
- **Chicago Federal Savings and Loan Association**  
211 South La Salle Street, Chicago, Ill.
- **Danielson Federal Savings and Loan Association**  
84 Main Street, Danielson, Conn.—Write for free booklet and information.
- **Guaranty Savings and Loan Association**  
2004 Second Avenue, North, Birmingham, Ala.
- **Hinsdale Federal Savings and Loan Association**  
8 East Hinsdale Avenue, Hinsdale, Ill.
- **Standard Federal Savings and Loan Association**  
735 South Olive Street, Los Angeles, Calif.

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

## Upgren Named V.-P. Of Draft Treaty Ending Mpls. Reserve Bank Extra Territorial Rights

Arthur R. Upgren, University of Minnesota economist and nationally-recognized authority on economic and financial research, has been elected Vice-President and Economist of the Federal Reserve Bank of Minneapolis, John N. Peyton, President, announced on Oct. 29. In his announcement, Mr. Peyton said:

“His election by the Bank's board of directors will place him in direct charge of a new program being undertaken by the bank for expanding all phases of the institution's research work regarding present and long-term problems of business, agriculture, and finance in the Northwest.

“We hope through this program to render increased service to the business and economic life of the Ninth Federal Reserve District, embracing Minnesota, North Dakota, South Dakota, Montana, northwestern Wisconsin, and the upper peninsula of Michigan. At the same time, studies undertaken with his guidance may be of value in integrating regional problems with national economic research activities now in progress or which may be undertaken in the future.”

The advices from the Minneapolis Bank also say:

“Dr. Upgren has served on several important economic missions for various departments of the Federal Government in the past few years. His most recent work, one that he finished only a few weeks ago, was as chief of the National Economics Unit of the Bureau of Foreign and Domestic Commerce in the United States Department of Commerce. In this, he directed extensive study of national post-war economic problems.

“He also has served as economic analyst in the Department of State in connection with the negotiation of reciprocal trade agreements with foreign countries, research secretary for the Council on Foreign Relations, Inc., consultant for the Government of Manitoba preparing that Canadian province's case for submission to the Royal Commission on Dominion-Provincial Financial Relations, and research associate for the Hutchins Commission on International Relations.

“A graduate of the University of Wisconsin, he had banking experience in Wisconsin and New York City before taking a teaching post on the University of Minnesota faculty. While teaching, he obtained a Doctor of Philosophy degree in 1937.

“His various previous research activities were undertaken while on leave from the University of

Secretary of State Cordell Hull on Oct. 24 handed to the Chinese Ambassador, Dr. Wei Tao-Ming, for the consideration of the Chinese Government a draft treaty designed to accomplish the United States' proposed relinquishment of extraterritorial rights in China.

This action is said to be pursuant to the Government's announcement of Oct. 9 saying it was prepared to negotiate; referred to in these columns Oct. 22, page 1444.

The State Department's announcement Oct. 24 of the brief ceremony at the Department follows:

“Pursuant to the Department's announcement of Oct. 9, 1942, in regard to this Government's preparedness promptly to negotiate with the Chinese Government a treaty providing for immediate relinquishment of extraterritorial rights in China and for the settlement of related questions, the Secretary of State this morning handed to the Chinese Ambassador, for the consideration of the Chinese Government, a draft treaty designed to accomplish that purpose.

“In handing the draft to Dr. Wei Tao-Ming, Secretary Hull stated that, as the Ambassador knew, this was a step this government had long desired to take, a step in conformity with and in practical application of the fundamental principles of our foreign policy. The Secretary went on to say that, because of his own deep and longstanding interest in the matter, this was to him one of especial personal gratification.”

The British Government plans similar action.

## Gets Mtg. Banking Award

W. A. Clarke, Philadelphia mortgage banker, has been selected to receive the Mortgage Bankers Association of America's 1942 “most valuable member” award for distinguished and valuable service in behalf of mortgage banking. Mr. Clarke was given the award for acting as moderator on the Association's nation-wide Mortgage Clinic tour this Spring which was devised in anticipation of curtailed trade association activities and a desire of MBA officials “to bring the Association to its members.”

Minnesota. Dr. Upgren will devote his full time to his work with the Federal Reserve Bank of Minneapolis.”

## Newspapers Must Cut Use Of Materials

At the first meeting of the Newspaper Industry Advisory Committee with officials of the War Production Board on Oct. 27, Donald M. Nelson, Chairman of the WPB, warned that curtailment of newspaper materials is "absolutely necessary." Speaking informally to the 25-member committee, Mr. Nelson said that newspapers, like other major industries, must face sacrifices in order to conserve manpower and materials for the war effort. He mentioned specifically the need for a cut in newspaper consumption and also in transportation, manpower, copper, zinc, printing ink, steel stitching wire and several scarce chemicals.

Mr. Nelson said, however, that "the printed word is most important in a democracy in time of war" and that he felt continued newspaper operations are essential. He said he realized that newspapers already are making sacrifices to aid the production program and emphasized that any curtailment of essential newspaper materials was done as a "necessary" measure. "This is not a case of government versus industry, but rather a case where government and industry are sitting on the same side of the table to co-operate in winning the war," he said.

An item bearing on the meeting appeared in our issue of Oct. 29, page 1551.

## Puget Sound Pulp Mills Shut By WPB Order

The War Production Board, on Oct. 24 ordered the shutdown of three big pulp mills on Puget Sound and prohibited all shipments of pulp from the Pacific Coast to the East except the types used for explosives and rayon. Both actions take effect Nov. 1.

Regarding the action, Associated Press advised:

No domestic paper pulp of any grade may move East in November, the WPB said, and "there is every prospect that West coast shipments may be eliminated for the duration, with the exception of deliveries for essential war purposes."

The paper-manufacturing industry, which has obtained a considerable part of its supply from Western areas now afflicted by shortages of manpower and pulp loss, was advised by the WPB that it must make "considerable readjustments in its use of wood pulp."

About 1,100 men will be released for war industry by the shutdown of the three pulp mills. These are the Tacoma, Wash., mill of the St. Regis Paper Co.; the Anacortes, Wash., mill of the Scott Paper Co. and the Tacoma mill of Rayonier, Inc. All three are producers of paper pulp normally shipped East.

The Puget Sound action is in effect a concentration of production in the area. The action "may be extended later to other areas in which critical shortages develop," the WPB's announcement said.

"It was decided that definite steps must be taken to make sure that the shortage of man power and pulp logs would not imperil the production of high alpha and desolving pulps going into essential nitrating, rayon and photographic uses," it was stated. Participating in the decision were the War Man Power Commission, other Federal agencies and representatives of the Puget Sound mills.

In November and December the only pulp production permitted along the entire Pacific Coast will be that for high alpha and desolving pulp, pulps for lend-lease and export requirements, and paper

pulp only for the production of paper consumed in the Far Western states.

The prohibition on Eastern shipments was accomplished by tightening the November allocations of wood pulp to mills. Since many non-integrated paper mills are largely dependent on coast pulp producers, steps were taken to allocate the supply of Eastern, lake states and Canadian pulps in such a way as to replace part of the shipments now cut off.

"This will result in a general reduction of pulp inventories in the hands of non-integrated (those which do not operate their own pulp-producing plants) pulp consumers," the WPB said.

## House Approves New Rent Control Bill

The House on Oct. 15 passed legislation to regulate and stabilize rents on all residential and commercial property, including rates charged by hotels and rooming houses.

The measure, requested by James F. Byrnes, Economic Stabilization Director, now goes to the Senate. Under the bill the President is given authority to stabilize rents on property, including stores and offices. The Government's previous authority to stabilize rents was limited to residential property in defense areas.

In appealing for passage of the bill, Mr. Byrnes told the House Banking and Currency Committee on Oct. 14 that uncontrolled rents had risen as much as 200% in some cities.

The Banking Committee's report to the House, recommending passage of the bill, said, in part:

"The Emergency Price Control Act of 1942 provided for a partial control of rents by the administrator, but the authority granted under that act was limited to rents for defense-area housing accommodations within defense-rental areas.

"The Act of Oct. 2, 1942, entitled 'An Act to Amend the Emergency Price Control Act of 1942, to aid in preventing inflation and for other purposes,' granted to the President authority to stabilize prices, wages, and salaries, but made no specific reference to rent.

"It is necessary, in order to stabilize the cost of living and to check inflationary tendencies, that comprehensive control be exercised over rents, and the legislation here proposed will make it clear that all necessary authority, in addition to that granted by existing law, may be exercised for such purposes.

"The bill authorizes and directs the President to issue an order or orders regulating and stabilizing the rent of residential and commercial real property, including the rent and rates charged by hotels and rooming houses. It is understood that the District of Columbia emergency rent act has been interpreted as conferring the exclusive authority for the control of rents in the District of Columbia. Therefore, in order to make certain that the President's authority extends to the District of Columbia, the section specifically provide that rent and rates shall be stabilized in the District of Columbia, as well as in the several states and in the territories and possessions of the United States."

In urging passage of the bill, Paul A. Porter, who is in charge of rent control for the Office of Price Administration, told the Senate Banking and Currency Committee on Oct. 23 that rent control was necessary to prevent bankruptcy of small business men and manufacturers caught between rising costs and fixed price ceilings. Mr. Porter also said that office space was scarce in most cities, particularly defense areas, and that the percentage for cities varied widely with Washington, showing a vacancy ratio of only

0.14%, the lowest in the nation. Baltimore, Atlanta, Dallas, and Dayton, Ohio, had ratios of less than 5%.

Leo J. Sheridan, President of the American Building Office Owners and Managers Association, challenged the assertion that office space was scarce. He said there are 25,000,000 square feet of office space available in Chicago, and added that many buildings in other areas had much vacant office space.

John W. Galbreath, speaking for the National Association of Real Estate Boards, told the Committee that to impose an elaborate, far-reaching system of rental controls on business properties could not "be of any possible benefit to the war effort," but would "destroy the desire to own business properties."

## Atlantic Charter For All Humanity: FDR

President Roosevelt emphasized on Oct. 27 that the Atlantic Charter "applies to all humanity" and pointed out that both Secretary of State Hull and he had said that several times before.

The President authorized this direct quotation at his press conference when asked for comment on Wendell L. Willkie's speech. Mr. Willkie had said on Oct. 26 that the peoples of some countries he visited were not satisfied with the Atlantic Charter because of its limited scope and were asking about a "Pacific charter" or a "world charter." Mr. Roosevelt told reporters that it was a matter of record that the Atlantic Charter applied to all peoples of the world and said that the name of the document came from the fact that it was signed on the Atlantic by Prime Minister Churchill and himself.

When asked for comment on other phases of Mr. Willkie's speech, the President said that the easiest thing to do was to paraphrase an old cigarette advertisement, saying that there wasn't a controversy in a carload of speeches.

The Atlantic Charter is a declaration of eight principles on which the President and Prime Minister base their "hopes for a better future for the world." It was subscribed to in August, 1940, at their secret meeting at sea and reaffirmed on the first anniversary as noted in our issue of Aug. 20, 1942, page 633.

## War Housing Units Above Half-Million

War housing completed since July 1, 1940, now totals some 500,000 living units of all types. John B. Blandford, Jr., Administrator of the National Housing Agency, announced on Oct. 20. This new housing it was explained represents a total expenditure of about \$2,000,000,000 in Government and private funds. "Private industry at a cost of approximately \$1,400,000,000 has built 355,000 family units located within reasonable commuting distance of a war activity and made available at rentals or sale prices within the reach of the war workers," Mr. Blandford said. He added:

"Private builders also completed in war production areas during this period some 470,000 dwelling units that are not classed as war housing because of their location or cost. These structures were started before the present strict limitations on construction were imposed. All of this private construction of both kinds is estimated to have cost about \$3,750,000,000.

"In addition, private builders have under construction for war workers an estimated 76,000 dwellings, valued in excess of \$300,000,000 and priority orders have been granted for 111,000 more, al-

though work has not yet begun on these.

"Public housing costing approximately \$525,000,000 accounts for 141,690 units of the total completed. This is divided into 116,169 family units of various types, 15,027 dormitory accommodations for single workers, and 152 dormitory, or war, apartments for 2-person families, as well as 10,342 trailers. Trailers are stop-gap housing only, to be used until standard accommodations can be finished. Public housing under construction or contract includes 129,086 family units, 21,248 dormitory units, 13,078 dormitory apartments, and 547 trailers.

"These figures, both as to public and private construction, do not include a substantial number of units completed during this period in communities which were not war production areas.

"The War Manpower Commission estimates that at least 12,000,000 workers will have to be placed in new jobs to take care of increases in employment, replacements for men going into the armed forces, and to replace workers lost from the labor force through death and retirement during the period July 1, 1942 to July 1, 1943.

"This employment shift calls for a minimum in-migration of 1,600,000 men and women to production centers. Because some family groups average more than one war worker per family, this in-migration will require 1,320,000 living accommodations of various sizes and types. Our immediate problem is to house these incoming workers.

"We plan to find 650,000 accommodations in existing structures, which means we must expand our present homes utilization program and institute a vigorous campaign to induce established families to take war guests into their homes for the duration. The scarcity of critical materials makes it imperative now that we use existing housing to the fullest possible extent, converting wherever possible large single family structures to produce additional living units.

"The other 670,000 accommodations must be new housing. Private industry has been asked to build 270,000 family units, for which priority ratings are now available. Public construction, both scheduled and still to be appropriated for, must provide the remainder, which will include 205,000 family units and 195,000 dormitory and dormitory apartment accommodations. This nationwide program is designed to help meet the minimum housing needs of some 550 localities."

## Nelson Urges Industry To Contribute Scrap

Donald M. Nelson, Chairman of the War Production Board, on Oct. 26 asked business and industrial concerns throughout the country to "dig deep and then even deeper" for vital scrap materials. "More scrap," he said, "is expected from industrial plants than from the farms and homes of the country. Nothing is more important to war production than scrap. The amount of scrap we get depends in large measure on industrial scrap. It is essential to the successful solving of the winter supply problem." Mr. Nelson added:

"It is the job of every president, every purchasing agent, every salvage manager, every plant superintendent, every shop foreman and every workman to dig deep and then even deeper for dormant as well as production scrap. Every plant must undergo a thorough, old-fashioned house cleaning. Store-rooms and rubbish piles will reveal tons of old, worn-out equipment and stocks, broken-down machinery and discarded tools. All such scrap materials

are wanted badly. Although plant executives may feel that every effort has been made to move scrap from their plant, they should search again and again to make certain that nothing is overlooked. Even if it is only a small item, that item may help save a soldier's life.

"Any equipment that can be used or that can be repaired and put to use for the war effort is not scrap. But what cannot be used belongs on the nation's scrap pile.

"During the second half of 1942 we must get at least 12,000,000 tons of scrap from industrial firms. This is a big order. But, nonetheless, we must reach that goal before winter, when normal supplies of scrap fall off. The need is great; time is all important. And all plants can expect excellent cooperation from the Industrial Salvage Section of the War Production Board, from local communities and from the newspapers of the nation.

"Judging from the unprecedented results obtained by the newspapers in their recent general salvage drive, we know the kind of cooperation they can give, and we are grateful to them for their magnificent job," Mr. Nelson said.

Mr. Nelson recently (Oct. 16) congratulated the nation's newspapers on their magnificent and unprecedented job in the general scrap metal campaign of the past several weeks and asked them to continue their efforts in the industrial salvage drive.

The newspaper scrap metal drive ended in most States on Oct. 17 and estimated tonnage collected was near the 3,000,000 mark. According to the tabulations of the Newspapers' United Scrap Metal Drive Committee, incomplete reports from 44 States showed 2,753,675 tons collected.

The campaign conducted by the newspapers was referred to in our Sept. 17 issue, page 989.

## Dairy Farmers To Get Higher Milk Price

The price of fluid milk, as paid to dairy farmers supplying the New York metropolitan milk marketing area was increased to \$3.50 a hundredweight on Nov. 1.

According to an announcement by Charles J. Blanford, Federal-State administrator of the New York area, "the November increases will bring the prices of milk for fluid uses to their highest levels since the orders (Federal-State price-fixing) first functioned in September, 1938. Compared with last November, the new prices will yield between \$975,000 and \$1,000,000 in added farm income."

The New York "Times" of Oct. 24 had the following to say:

The farmers' price of Class IIA milk, sold for fluid cream, also will be advanced in November to \$2.70 a hundredweight, and the price of Class IIB milk, stored as frozen cream for ice cream manufacture, will be raised to \$2.58 a hundred pounds. These three rises are anticipated to increase dairy farmers' income in the six-State milk shed from \$484,500 to \$534,500 over the total for October.

The fluid milk price rise is the third since June, when the rate was \$2.85 a hundred. It rose to \$3.10 in July and \$3.30 in September. The Class IIA milk price rise is the fourth since August. The Class IIB milk price has gone up four times since July.

Under the Federal-State plan, producers' milk prices are computed on fluctuating wholesale prices in New York of butter and other dairy products.

## Danger To Freedom Of Press Seen By Dean Ackerman In Action Against Associated Press

Viewing the recent action of the Government against the Associated Press, as a trend toward "freezing" the press "into a new mold" of Governmental control, Dean Carl W. Ackerman of the Graduate School of Journalism at Columbia University, was quoted on Oct. 21 as saying "if those who are determined to freeze the press succeed in achieving their objective we may have freedom of speech, but be deprived of freedom to speak, because the facilities and instrumentalities of communication will be frozen for the duration and only those governmental officials and agencies beyond censorship control will be able to use them."

Dean Ackerman's remarks were made at the Fourth Accounting Institute dinner at the Hotel Pennsylvania in New York, and according to the New York "Times" he urged the development of "more conscientious objectors," not to military service but to any interference with the constitutional rights of Americans to freedom of speech, press and assembly.

In the "Times" Mr. Ackerman was quoted as saying:

"In all governmental affairs the press is free only to report what is officially released. Editors and publishers are free to comment and to criticize. They are not free to investigate the war effort or to crusade and to report their findings. In so far as this relates to the war, no one has a right to object, because no journalist would purposely or even involuntarily give aid and comfort to an enemy. But the recent law suit filed by the Department of Justice in New York against the Associated Press and 1,275 daily newspapers throughout the country has no justification whatever by the necessities of war. The object of that suit is not to preserve the freedom of the press but to freeze the press into a new mold, not during the war but in perpetuity.

"What is the new mold designed for freezing the press? It is the mold of governmental control. If the Associated Press is frozen into this mold, every other press association and newspaper, every periodical and book, every pamphlet and speech, every radio and forum will be frozen in similar molds, and the Bill of Rights and the Atlantic Charter will be relics of aspirations and ideals, not solemn covenants for the use and progress of humanity."

From the "Times" we also take the following regarding Dean Ackerman's address:

"Even before the attack on Pearl Harbor," he said, "and more vigorously since then, some Government officials have been pressing upon us a domestic revolution designed to freeze our inalienable rights and those of millions of soldiers, sailors and marines who cannot be here to defend themselves."

Dean Ackerman paid tribute to the newspapers for the success of the scrap metal campaign, for their support of every part of the war program, and for their morale-building reports from the battlefronts. Despite the voluntary, enthusiastic and loyal response of the press to the war crisis, he went on, the Government has continued its "freezing process" so that now, he said, "the authority of the Government to control the press is absolute, although called voluntary."

"Every reader of what has been the free press of our country knows that there is not a single day of respite from propaganda advocating fundamental changes in the American way of life," he continued.

"All of these are pressed upon public attention by the same method of creating fear, advocating haste and demanding acceptance. The justification presented for every change is that each one is necessary to win the war. With a combination of faith and fear, the people acquiesce, and this

process goes on day by day and week by week.

"Under the cloak of war emergency, the American way of life is being profoundly changed by law, by directives, by executive orders, by judicial decisions, by consent decrees, and by accomplished facts which the people are told about after the events.

"Under the stress and emergency of war, we are freezing incomes, wages, rents. We are establishing ceilings, restrictions and limitations on our economic and social customs and practices. These changes the people are accepting with remarkable fortitude and good spirit. Today the leaders of our domestic revolution are equally determined to freeze the Bill of Rights. They are determined to substitute freezing the press for freedom of the press. And every reader of every newspaper, pamphlet, periodical and book has a stake in that issue, because freezing the press means freezing public opinion and political action."

## Controls Tightened On Currency Import

The Treasury Department on Oct. 16 announced that, after Oct. 31, persons entering the United States from any place other than Mexico, Great Britain, Bermuda, Canada and Newfoundland, will be required to turn over to Customs authorities all the currency in their possession in excess of \$50. This ruling supersedes the previous requirement that all currency in excess of \$250 be turned over to the Customs authorities. The Treasury Department's new ruling, as made available by Allan Sproul, President of the Federal Reserve Bank of New York, follows:

"The regulations now in effect with respect to currency brought into the United States from Mexico remain unchanged, and two-dollar bills and subsidiary coins may move freely between the United States and Mexico.

"Treasury officials pointed out that the new ruling constitutes a tightening of the controls aimed at preventing the disposition in this country of currency looted by the Axis. When the controls, which require the surrender of imported currency to Customs officials and to Federal Reserve Banks, were inaugurated last spring, an exception was made in order to permit legitimate users of dollar currency time enough to become familiar with the currency regulations. In order to give legitimate users of dollar currency time to adjust themselves to the \$50 limitation, the Treasury Department is giving this advance notice of the ruling.

"The Treasury has repeatedly warned persons leaving the United States to carry some means of payment other than United States currency when traveling outside of the United States. Officials said it is assumed that persons arriving in the United States today are aware of our restrictions on the importation of currency as all such persons have had ample opportunity to make arrangements for financing themselves other than by the use of United States currency.

"Treasury officials said that persons leaving the United States should not carry with them United States currency in excess of \$50. They declared that not only is it unwise to carry United States currency outside of the United States

because of the restrictions upon its reimportation; it is also imprudent in view of the fact that due to this Government's policy dollar currency is worth only a fraction of its former value in Europe and most parts of Central and South America. In fact, they pointed out, regulations adopted in cooperation with this Government's currency program make the general use of dollar currency illegal in most of the other American Republics.

"Attention was also called to the fact that in view of these regulations, travelers may find themselves unable to utilize even the aforementioned \$50 amount.

"Traveler's checks, drafts, or telegraphic transfers are the best means of satisfying financial needs while traveling outside the United States at the present time, officials observed.

"It was pointed out that the curtailed use and value of dollar currency abroad has had no effect on the dollar as an international medium of credit. The restrictions on foreign dealings in dollar notes have in no way affected the value of dollar drafts, checks or credits."

## More Home Financing By Savs.-Loan Ass'ns

Despite a shrinkage in their total loan volume because of restrictions on new building, savings and loan associations are increasingly active in financing the transfer of homes built in previous years, the Federal Home Loan Bank Administration reported on Oct. 24. It is indicated that during August, "home purchase" loans by these thrift institutions amounted to \$55,300,000, the highest figure for this category since October 1941, and a gain of \$1,100,000 over July. The August total of such loans was 36% above the total for August 1940, indicating the mounting sales demand for dwellings located in areas of concentrated war industries. It is also stated:

"From August 1940 to August 1942, which covers most of America's expansion in war production, total lending of savings and loan associations for that month dropped from \$117,600,000 to \$92,600,000, a recession more than accounted for by a \$29,900,000 decrease in mortgages to finance new construction. The total of loans in this category was \$12,600,000 for last August. Loans for refinancing, reconditioning and other purposes decreased less over the two years."

## Canadian Crops Good

This has been a year of abundance throughout Canada with satisfactory crops in every province, unusually heavy crops in many districts and a total production of cereals in the Prairie Provinces surpassing all previous records, according to the current crop report of the Bank of Montreal. The bank indicates that the Dominion Bureau of Statistics has estimated Prairie wheat production at 587,000,000 bushels as compared with 293,000,000 bushels in 1941 and an average of 320,945,000 during the past ten years. The average per acre yield is estimated at 28.4 bushels and by provinces: Alberta 29.0 bushels; Saskatchewan 28.3 bushels and Manitoba 26.9 bushels as compared with 15.0, 11.9 and 20.9 bushels last year respectively. The acreage sown to wheat was 2.3% below the previous year. There was an increase of about 27% over 1941 in the acreage sown to coarse grains, while production is estimated to amount to 273% of last year's total. The estimated production of oats is 508,000,000 bushels, barley 255,000,000 bushels, rye 24,693,000 bushels, and flax 16,700,000 bushels.

## Associated Press Denies Monopoly Charges In Answer Filed To Government's Suit

The Associated Press, in its answer to the civil action of the Federal Government, charging it with acts of monopoly and restraint of trade, denies the allegations and says "it is neither a monopoly nor has it intended to become such." The Associated Press, in its answer, filed on Oct. 27 in the United States District Court in New York, adds that "on the contrary, competition with AP has steadily increased since AP was organized, and such competition has been fostered rather than hindered by the very provisions of AP's by-laws, which the Government now challenges as constituting an undue and unreasonable restraint of trade."

The Federal Government's action, filed on Aug. 28 last, and referred to in our Sept. 10 issue, page 895, asked the Court for an order to force the AP to open its membership rolls to any newspaper willing to pay the cost.

In its answer the AP says:

"If the news gathered through the cooperative facilities of AP and its members were required to be made available to every one, whether a member or not, the incentive of each member to contribute his time, effort and money to the upbuilding of an organization for the mutual benefit of himself and of others making a like contribution would disappear. No matter how great the contribution of the member had been, or over how long a period it had been made, he would enjoy no competitive advantage over others who had not thus ventured their time and resources. Under such circumstances, the loyalty so essential to the efficient and successful operation of a mutual enterprise could not survive. Instead of going beyond the letter of his obligation in order to maintain a superior service from which he hoped to derive his share of the benefit, each member would appraise his relationship to AP solely in the light of the immediate return to him. He would thereupon become merely a buyer and seller of news, and cooperation in a mutual enterprise would be replaced by arm's length bargaining. AP would become merely another commercial news agency."

In its further denial of the Government's complaint the AP according to a summary in the New York "Sun" of Oct. 27 states:

"It is the fundamental law of the land," the answer continued, "that no statute shall be construed as to abridge the freedom of the press. A press press requires that newspapers shall be free to collect and distribute the news and that they shall be free to choose their associates in so doing."

"This right is now challenged by the means of a novel interpretation of the anti-trust statutes, which is designed to foster a particular newspaper, to wit, the Chicago Sun.

"A corollary of the assertion by the Government of the right to foster one newspaper is the assertion by the Government of the right to destroy another newspaper.

"A corollary of the assertion by the Government of the right to determine who may be associates in collecting and distributing news is the assertion by the Government of the right to determine what news shall be collected and distributed and under what conditions.

"The Congress has never asserted any right or power to regulate newspapers or news agencies in the collection and distribution of news."

The answer said further:

"The impartial and unbiased character of the news furnished to AP by its members and to the members by AP is assured by the fact that the membership represents a cross section of opinion on all issues of general interest, and by the fact that the membership has the power not only to control their co-operative enterprise but also to invoke dis-

ciplinary action against any member who departs from the standard of integrity in the reporting and publishing of AP news."

The AP answer also focuses upon the membership application of Marshall Field's Chicago Sun, which was rejected at the last annual meeting of AP members in April.

The vote of the members, 684 to 287, denying the Field application, the reply says, was due largely, if not entirely to three obstacles erected by Field and representatives of the anti-trust division of the Department of Justice.

## Investments Up In Insured Institutions

Savings and investments placed in insured savings and loan associations during August totaled higher than in any similar month since the Federal Savings and Loan Insurance Corporation was established eight years ago, Oscar R. Kreutz, General Manager of the Insurance Corporation, reported on Oct. 24. The announcement further said:

"More than \$70,000,000 of new investments were received by these thrift institutions from the public during the month, compared with \$62,000,000 in August, 1941. Repurchases of shares for the month amounted to \$42,000,000, equivalent to 59% of the new funds received. This is the lowest ratio of repurchases to new investments for any August in the four-year period for which this information is available. It compares with a ratio of 77% in the same month last year.

"At the end of August, investments of the public held by these 2,380 insured associations had reached \$2,800,000,000.

"The Sept. 30 balance sheet of the Federal Savings and Loan Insurance Corporation itself reveals assets of the Corporation now at \$135,953,143, as compared with \$133,069,394 at the end of 1941. Over the first nine months of this year, the Corporation's reserves increased from \$31,310,326 to \$34,371,949."

## Asks For Single Oil Head

More complete coordination among Government agencies having jurisdiction over oil through the establishment of a single oil administrator with broad powers was called for on Oct. 23 by Representative Cole (Dem., Md.), Chairman of a House subcommittee on petroleum. In his report to the President, Mr. Cole suggested " . . . a man, during the war period only, who has the organization available to furnish the information and to dictate the following things, according to Associated Press accounts from Washington:

1. "To restrict or encourage the drilling for oil.

2. "To acquire under the War Production Board essential materials, strategic or otherwise, for the development of oil refining and pipeline, in such amounts as may be designated by the armed forces.

3. "To set whatever prices may be necessary over the products to insure their production, processing and delivery in the needed quantities and types."

Mr. Cole declared that "with our present transportation and present rate of discovery, showing any regard for conservation, we will be short of oil within two years."

## Muir Of NAM In London To Study War Problems

Malcolm Muir, Chairman of the War Committee of the National Association of Manufacturers and President and Publisher of Newsweek, who recently left by airplane for London, England, arrived in that city on Oct. 22. In a statement following his arrival in London, Mr. Muir said: "I am glad to be in the British Isles today, where already many, many thousands of my countrymen are in training and fighting along—

side of your forces and those of the United Nations." Mr. Muir indicated that he had gone to England for two purposes, saying: "First, as Publisher of Newsweek, to get more background material from this key section of global war. We believe in America that a well informed public is vital to the successful prosecution of the war. This war is different from all other wars, as it is not only waged by the armed forces but by every civilian, as you have so magnificently shown. Unless the American press fully understands your aims and plans and how our own expanding army here is cooperating in the common plan, we cannot adequately interpret the dispatches our great staffs of correspondents are sending over daily.

"My second and equally important purpose is, as Chairman of the War Committee of the National Association of Manufacturers, to learn at first hand how your great industries have met and so successfully solved the problems of their Herculean war effort and how British business has met the impact of the total war economy.

"I am looking for your experiences which may guide American industry in overcoming some of the problems with which it is faced today, problems with which your manufacturers, big and little, have wrestled and met so successfully. I hope that H. Kennedy McCook, Executive Secretary of the NAM War Committee, who is with me, and I will get further light on your handling of some of our more perplexing questions."

Mr. Muir further stated that "we shall also study your system of price control and its hand-in-hand relationship with the control of cost of living," and in part he added:

"I would like to emphasize another objective of my trip. It is to open the doors for a greater exchange of information and facts between the industrialists and businessmen of our two nations. The time is ripe for a United Industry Front. A front made up of the manufacturers of England and the United States that will march forward arm-in-arm. This war will be won by fighting men guided by able military leaders and supplied with the best weapons our united industries can produce. The manufacturers of Great Britain, the Dominions, and the United States can do this and I hope my visit will help to aid them in speeding up that job."

## Bank Supt. White To Join Guaranty Trust

The resignation of William R. White as New York State Superintendent of Banks, in order to become a Vice President of the Guaranty Trust Company of New York, was announced on Oct. 28 by Governor Herbert H. Lehman. In his new bank post, Mr. White will serve as a general banking officer for the area that includes New York State, New Jersey, Delaware, Maryland and the District of Columbia.

Born in Coudersport, Pa., Mr. White was educated at Bucknell University, and the Columbia University Law School where he was graduated in 1929. He was admitted to the bar and was associated for about a year with a New York law firm.

On August 11, 1930, Mr. White was appointed Assistant Counsel in the State Banking Department by former Superintendent of

Banks Joseph A. Broderick. Four years later he was made Deputy Superintendent and Counsel and in January, 1936, he was appointed Superintendent of Banks by Governor Lehman. At the time he was 32 years of age, the youngest Superintendent of Banks ever appointed in New York State. Now at the age of 39 he has served as Superintendent six years and ten months, with one exception, the longest period ever served by any Superintendent in the 91-year history of the Department.

From the Guaranty Trust's announcement the following is taken:

"Entering the Banking Department as the depression of the '30s was getting under way, Mr. White has served in several positions of bank supervisory responsibility during one of the most eventful periods in the history of banking. The closing of the Bank of United States, the bank holiday of 1933, the establishment of the Federal Deposit Insurance Corporation, the revision of banking laws, and the stabilization of the banking system were among the noteworthy events of this critical period when heavy responsibilities rested upon both State and Federal bank supervisory officials.

"Having observed this long series of developments, when Mr. White became Superintendent of Banks he recognized the need for a general revision of the banking law. Under his direction the necessary bills were drafted by the staff of the Banking Department and introduced in the Legislature where they were enacted into law.

"Another accomplishment of Mr. White's administration was the reduction in the maximum interest rates which small loan companies may charge on loans not in excess of \$100, many of which are of a necessitous character. He undertook a detailed study of the earnings of the small loan companies and in two special reports to the Governor concluded that the rates which the companies were permitted to charge were too high. The Governor transmitted the reports to the Legislature urging that the recommended rate reduction be enacted into law. Such a rate reduction was effected by the 1941 session of the Legislature.

"During Mr. White's term of office the banking structure of the State was strengthened through the recasting of capital structures, the liquidation of sub-standard assets, the improvement of personnel in key positions, and through a number of mergers and consolidations. The accomplishment of this program required resourceful planning and extensive negotiation with bank directors and with officials of Federal agencies.

"In 1937, he was elected President of the National Association of Supervisors of State Banks and for the past four years has served as Chairman of the Association's Executive Committee. The Association has been instrumental in promoting many reforms in the interest of a stronger banking system throughout the country. It has worked closely with Federal agencies to secure greater uniformity in bank examinations and improve supervisory policies and practices."

Mr. White is a trustee of his alma mater, Bucknell University. In May, 1942, he was awarded an honorary Doctor of Laws by Union College.

## Canada Board Curtails Newsprint Production

Curtailment of newsprint production in nine mills in the Province of Quebec went into effect on Oct. 14 in accordance with an order of the Canadian Wartime Prices and Trade Board. The curtailment was ordered to release 50,000 horsepower for war industries and also to divert manpower. The mills affected are the Beaupre Mill of the Abitibi Power and Paper Co., Ltd.; the Grand Mere, Shawinigan Falls and Three Rivers Mills of the Consolidated Paper Corp., Ltd.; the Quebec Mill of the Anglo-Canadian Pulp and Paper Mills, Ltd.; the Donnacona Paper Co., Ltd., mill at Donnacona; the Donohue Brothers mill at La Malbaie; the Three Rivers mill of the St. Lawrence Paper Mills Co. and the Three Rivers Mill of the Canadian International Paper Co.

Other Canadian newsprint mills have also curtailed their output.

In September Canadian mills produced 257,618 tons and shipments amounted to 392,405 tons, both figures being below the same month last year. The operating ratio at 72.4% was the best in the last five months, while the ratio of shipments to capacity increased to 82.1%, the highest since last March.

## September Truck Freight Volume 4.3% Over Aug.

The volume of freight transported by motor carriers in September increased 4.3% over August and 7.0% over September, 1941, according to reports compiled and released on Oct. 26 by the American Trucking Association.

Comparable reports were received by ATA from 204 motor carriers in 40 States. The reporting carriers transported an aggregate of 1,534,065 tons in September, as against 1,471,521 tons in August, and 1,433,557 tons in September, 1941.

The ATA index figure, computed on the basis of the average monthly tonnage of the reporting carriers for the three-year period of 1938-1940 as representing 100, was 180.27.

Approximately 82% of all tonnage transported in the month was reported by carriers of general freight. The volume in this category increased 3.7% over August, and 7.0% over September of last year.

Transporters of petroleum products, accounting for about 10½% of the total tonnage reported, showed an increase of 15.2% over August, and held 66.3% over September, 1941.

Haulers of iron and steel products reported a little more than 2½% of the total tonnage. The volume of these commodities showed a decrease of 11.5% under August, and dropped 15.2% under September, 1941.

About 5% of the total tonnage reported was miscellaneous commodities, including tobacco, milk, textile products, bricks, building materials, cement and household goods. Tonnage in this class showed an increase of 1.7% over August, but declined 33.1% under September of last year.

## WPB Livestock Control

Donald M. Nelson, Chairman of the War Production Board, issued an order on Oct. 21 conferring upon Secretary of Agriculture Wickard authority to control the disposition and marketing of livestock in the interest of maximum production of meat for War needs. This order, according to the Associated Press, would serve as the legal basis for a permit or allocation system which Wickard has said may be necessary to handle a record supply of hogs to be marketed this winter.

## Business Urged To Make Personnel Inventory To Meet Tightening Labor Situation

American business and industrial firms were advised on Oct. 20 by Otto S. Beyer, Director of the Division of Transport Personnel of the Office of Defense Transportation, to initiate at once a personnel inventory so as to be better able to meet the tightening labor situation. Mr. Beyer's recommendation was made in an address to the War Problems Convention of the American Trucking Associations, Inc., at St. Louis.

Mr. Beyer, who is also a member of the War Manpower Commission, suggested these steps as the general outline for such an inventory.

"1. Such a personnel inventory should permit a classification of all the employees of the company, according to occupation, sex, age, dependency, and any other factors which would assist in determining the potential Selective Service classification of employees. This classification will permit you to know with fair precision the nature of your immediate Selective Service problem.

"2. This personnel inventory should include a record of turnover by occupation, for at least the last three to six months. If you have not made such a record you are going to find out that the problem of replacement due to turnover is several times as great as that occasioned by enlistment or draft. This turnover record should cover separations from your service by occupation and date and cause of separation, and should also include a record of new employees by occupation, date of employment and source from which they were obtained. These two records together will spotlight the occupations in which your replacement problem is greatest, will show you the extent of that problem and may indicate measures you might take to decrease turnover.

"3. Such an inventory should include a list of the occupations in which women are employed, together with an estimate of the number that can be employed in such occupations, and a listing of occupations suitable for women in which you are now not employing them. The definition of suitability should be in war terms, and not in peace terms. The sole consideration should be whether or not it is possible to obtain women for such occupations and whether they will be able to deliver the goods once employed.

"4. Your inventory should include a list of occupations in which a greater number of men with minor disabilities or a greater number of older men can be employed.

"5. It should include a list of occupations in which the employment of Negroes and other non-whites can be increased.

"6. Your personnel inventory should include an analysis of the training facilities you now have, the number of persons in training and the maximum capacity of these training facilities. An estimate of the training time required for the principal jobs or classes of employment in your company also will be helpful. Finally, let me suggest that you include in your training inventory an 'understudy analysis.' By this I mean that you should make a list of the key positions in your company, and then determine, tentatively, at least, who might be promoted or transferred to fill each of these positions if a vacancy should occur."

From the facts disclosed by a personnel inventory, Mr. Beyer said, companies should be able to plan both a short-term and a long-term personnel program.

## Named Director Of Boston Reserve Bank

Allen W. Holmes, President of the Middletown (Conn.) National Bank, has been elected a Class A Director of the Federal Reserve Bank of Boston. Mr. Holmes, former President of the Connecticut Bankers Association, was

elected by member banks in Group 2, composed of banks having a combined capital and surplus of more than \$300,000 and less than \$1,200,000. He was elected to serve the unexpired portion of the term ending Dec. 31, 1943, succeeding Lewis S. Reed, who resigned.

## French Resistance To Forced Labor Praised

Secretary of State Hull, in commenting upon Pierre Laval's demand that French people must work for Germany, voluntarily or by compulsion, said on Oct. 21 that it was gratifying to see opposition to this "proposed and forced service of enslavement of French labor." Some time ago, Secretary Hull remarked that such a condition was "about as much a state of slavery," if not worse, than being a prisoner of war confined in Germany.

"I think you will recall that this government at present, the President and the State Department in particular, really took the lead after the setting up of the government at Vichy—took the lead in proclaiming and keeping alive all the doctrines and policies and ideals of what was once the great free French Republic and in condemning all pro-Hitler acts of M. Laval just as we condemn Hitler himself.

"We have kept alive as best we could by public statements an intense opposition to every phase of Hitlerism wherever it existed and have given all possible encouragement to the people of France to keep alive the great ideals and ideas of freedom and popular institutions which made that country so great.

"I, some weeks ago, in referring to this question of labor being picked up and sent over from France to Germany said that it was about as much a state of slavery to have labor sent over there and put under forced service as it was, if not a little more, to be a prisoner of war confined in Germany; that I assumed that the French people would view it that way and it is very gratifying to see signs cropping out increasingly through France that the people are awakening to all of those conditions which Laval is attempting to impose upon them, and especially in their intense opposition to this proposed and forced service of enslavement of French labor."

## Leland Chairman Of Chicago Reserve Bank

The Board of Governors of the Federal Reserve System announces the appointment of Simon E. Leland of Chicago as Chairman of the Board of the Federal Reserve Bank of Chicago, Mr. Leland, who is Chairman of the Department of Economics at the University of Chicago, had served as a Class C Director of the Bank since Jan. 1, 1941, and as Deputy Chairman since Jan. 1, 1942. W. W. Waymack, of Des Moines, Iowa, who has been serving as a Class C Director of the Chicago Reserve Bank since Jan. 1, 1942, was appointed Deputy Chairman to succeed Mr. Leland. Mr. Waymack is editor of the Des Moines "Register-Tribune".

## WLB Adopts Three Point Program To End Wildcat Strikes Slowing War Production

The National War Labor Board adopted on Oct. 17 the following three-point program designed to remove the remaining wildcat strikes interfering with war production:

1. All Board mediation panels and investigators assigned to cases where there have been strikes or lockouts are to report to the Board the relation of local and international union officers to the strikes and of their efforts to prevent its occurrence.

2. These panels and investigators are to report also on the relation of management to the strike, particularly on the question of whether management has fully discharged its obligations to settle all grievances as promptly as possible.

3. On the basis of a thorough investigation, these panels and investigators are to make recommendations for the prevention or repetition of such strikes.

The board's announcement also said:

"The resolution calling for this action which was adopted unanimously by the public, labor and industry members of the Board, pointed out that the outstanding record since Pearl Harbor—less than one man-day lost out of every 1,000 worked—should be improved. It added that the whole of the bad effect of these strikes on war production cannot be measured by man-days alone, since production shortages at one point cause shortages at other points."

The resolution stated:

"Workers must realize that no grievance, however great, justifies an interruption of war production. It is the solemn duty of all war workers and of all local organizations of labor to abide by and support the no-strike agreement, and to refer all such disputes to the War Labor Board machinery, including the Conciliation Service.

"There is an equal obligation upon management to support this agreement. That obligation requires that management should be and remain above suspicion in its handling of all grievances. No room should be left for the thought in the minds of the workers that the management at any particular plant is attempting to take advantage of the fact that the workers have bound themselves not to strike. Loyal managers will exert every effort to settle all grievances promptly, going beyond the ordinary peacetime efforts in that direction to show affirmatively their recognition of this obligation."

Commending the War Labor Board for its three-point program to reduce "wildcat strikes" interfering with war production, the National Association of Manufacturers, in a statement issued Oct. 21, urged its 8,000 member companies to give full cooperation to the Board in making this program effective.

## Study N. Y. State's Farm Labor Problems

A committee to make a state-wide study of New York's farm problems was appointed Oct. 25 by Mrs. Anna M. Rosenberg, Regional Director of the War Manpower Commission. Headed by Joseph King, farm placement supervisor of the United States Employment Service, the committee will study the problems of adequate supply of labor for dairy farms, formulation of plans for an orderly retention and recruitment of workers for year-round farm work, to be worked out in close cooperation with Selective Service officials; and development of an emergency program of labor recruitment for Spring and Fall work next year.

## Ask Cooperation From Employers Regarding Unemployment Ins. Law

An appeal to all employers to "give assistance to the State in its efforts to administer the Unemployment Insurance Law effectively" was issued Oct. 22 by Milton O. Loysen, Executive Director of the Division of Placement and Unemployment Insurance. Mr. Loysen explained that employers can help accomplish this end by reporting to the Division all instances in which employees quit voluntarily without good cause, or lose employment because of misconduct, or because of a strike or other industrial controversy. Mr. Loysen said:

"Workers who lose their jobs for any of these reasons are subject to penalties insofar as their rights to unemployment insurance benefits are concerned. The Division invokes these penalties whenever it has adequate evidence. However, it must have such evidence.

"Employers, by operation of the law, receive a form from the Division, asking pertinent information concerning former employees who claim unemployment insurance benefits. Most employers, I am happy to say, cooperate wholeheartedly and promptly return these forms. However, recent tests have shown that some employers are lax in reporting this information. Reports not received on time may permit unwarranted payments to be made and failure to report at all may leave the Division without any clue to circumstances which, if known, would completely disqualify the claimant or at least penalize him."

## Sept. Lend-Lease Aid At New Monthly High

Lend-lease goods transferred and services rendered reached a new monthly high of \$643,000,000 in September, Edward R. Stettinius, Jr., Lend-Lease Administrator, reported to President Roosevelt on Oct. 25. This compares with a previous peak of around \$600,000,000 in July. The comparative figure for August was \$575,000,000.

The Associated Press further said:

"Of the \$643,000,000 for September, \$544,000,000 represented goods transferred. More than 75% of these transfers were shown as military items, and represented the highest dollar volume of such items to be furnished under lend-lease in any single month to date. Of the August transfers 58% were military items.

"Goods transferred means goods actually exported and awaiting export at seaports."

## Taylor Reports To FDR

Myron C. Taylor, President Roosevelt's personal representative to the Vatican, who returned to this country on Oct. 12, reported to the President on Oct. 16 regarding his conversations with Pope Pius XII.

Acting Secretary of State Sumner Welles was also present. Mr. Taylor, who also conferred with British officials before returning to the United States, gave no details concerning his report.

His return to this country was noted in our issue of Oct. 22, page 1442.

## U. S. Govt. To Lease Homes for War Workers

The Federal Government plans to lease privately-owned homes and buildings and remodel them to provide living quarters for war workers.

John B. Blandford, National Housing Administrator, said that vacant houses and those with a large amount of unused space will be the types favored, adding that voluntary leasing would be pushed to the limit, but "if this does not yield a sufficient amount of necessary housing on time, we shall be forced to recommend the compulsory use of available private facilities through billeting, commandeering, requisitioning and similar devices."

Mr. Blandford explained that the leasing program was in addition to the \$600,000,000 new construction program now under way, since all the new housing which could be built by June, 1943, either through public or private resources, could not possibly care for the 1,600,000 new workers expected to be drawn into war production centers before that time.

At least 650,000 workers, Mr. Blandford said, must be cared for through existing housing, and experience has shown that only a program to convert and remodel the housing can supply enough family accommodations.

The Government's leasing plan involves the following:

Leasing private homes which can be converted into additional accommodations speedily and with a minimum use of critical materials and which are located in districts within reasonable transportation distance of war plants and where conversion is permissible under zoning laws.

Leasing the properties at a "fair rental," making alterations to meet the needs of war workers, renting and managing the converted properties for the duration and then returning them to their owners after the war.

The owners will be permitted to occupy part of the converted structures, if necessary. The program will concentrate on houses, combination business- and residential properties and small apartment houses and flats. Larger structures, such as warehouses and abandoned hotels, which are suitable for reconditioning and conversion, will be leased or purchased.

Meanwhile, the NHA will intensify its drive to induce home owners to accept "war guests" for the duration, and simultaneously will continue to seek a maximum amount of conversion through the use of private funds.

## Rules On Parcels For Armed Forces Overseas

Postmaster Albert Goldman of New York has informed mailers that both the War Department and the Navy Department have stated that no food should be enclosed in parcels mailed to members of the armed forces overseas, not only because crumbs or other matter escaping from the parcels attract vermin, but for the further reason that the armed forces are amply supplied with food. The advices of Postmaster Goldman further states:

"It has been noticed that shoe boxes are being used as containers for gifts sent overseas, and while a shoe box has been previously mentioned in connection with Christmas mail for members of the armed forces overseas, it was done solely to indicate the maximum size desirable and not with the thought that an actual shoe box would be used for such parcels. Pasteboard shoe boxes are not strong enough for this purpose and patrons are cautioned against using anything so fragile for parcels sent overseas."

## Only Manufacturing Corporations Show Net Savings Between World Wars, Board Reports

Manufacturing corporations were the only corporate group to show net savings for the period intervening between World War I and World War II, and even this group paid out \$6,600,000,000 more than it took in during the period from 1930 to 1940 inclusive, according to the National Industrial Conference Board. The Board under date of Oct. 25 said:

"These corporations have reported positive savings in each year of operations since 1936, with the exception of the brief swing into negative withdrawals in 1938. They were the only corporate group whose disbursements were kept lower than their receipts in the 1936-1937 recovery. Yet their positive savings of \$2,300,000,000 for the years 1936 through 1940 offset only about a fourth of their cumulative negative savings of \$8,900,000,000 from 1930 through 1935, according to the Board's compilations.

"Corporate savings in manufacturing in 1940 of \$1,685,000,000 were larger than in any other year since 1919. The comparable total for 1929 was \$1,378,000,000, while the peak for the Twenties came in 1923 when \$1,413,000,000 of income was retained."

Analyzing the records of other corporate groups, the Board says:

### Trade

"Corporations engaged in trade were second only to the manufacturing group in the amount of net income retained in 1940. Their positive savings of over \$300,000,000 in that year compared favorably with the rate of accumulation prevailing during the Twenties. It was surpassed only in 1919, 1923, 1925 and 1928. Savings in both distribution and finance turned downward sharply in 1929, well in advance of the down-turn in the remaining major groups.

"Over the 22-year period, the cumulative total of savings by the trade group remained negative to the amount of \$359,000,000. Their positive savings of \$263,000,000 during 1936-1940 are equivalent to only 8% of the \$3,100,000,000 of withdrawals incurred during 1930-1935.

### Construction

"In construction, positive savings of \$18,000,000 were reported in 1940, after an unbroken 10-year period of capital dissipation. Withdrawals reached a peak of \$132,000,000 in 1932 but were steadily reduced thereafter until they totaled only \$9,000,000 in 1938 and \$6,000,000 in 1939. Over the 22-year period the cumulative record of savings remained negative to the extent of \$188,000,000.

"Net income retained in 1940 was only about half the annual additions during 1923-1929 when the construction cycle was at its peak. Over these seven years, construction corporations set aside \$264,000,000. Their levy upon capital funds in the decade that followed was nearly twice this amount.

"Manufacturing, trade and construction were thus the only major corporate groups that retained part of their net income in 1940. The aggregate retained by these industries was slightly above \$2,000,000,000, while the negative savings of remaining major industrial groups totaled fully \$900,000,000. In each industry in the latter group, negative savings have been incurred almost without exception in every year since 1929.

### Finance

"Corporate withdrawals of \$559,000,000 in finance in 1940 were larger than the aggregate for the two preceding years. They reached a peak of \$1,900,000,000 in 1932 and totaled over \$5,000,000,000 for the years 1931-1933. Drafts on capital in these three depression years exceeded the \$4,200,000,000 of net income retained during 1922-1929.

"Financial corporations alone accounted for almost two-thirds of all negative savings in 1940. Their cumulative record of sav-

ings for the years 1922-1940 is negative to the amount of \$3,800,000,000.

### Transportation and Other Public Utilities

"Although corporations engaged in transportation and other public utilities incurred negative savings of \$108,000,000 in 1940, the draft upon capital in that year was the lowest since 1929. The highest level of savings reported by this group was \$608,000,000 in 1923, while withdrawals were most severe in 1932 and were almost twice this amount.

"The cumulative record of savings for the years 1922-1940 is negative to the extent of \$3,600,000,000. From 1922 through 1929, the group set aside about \$3,300,000,000, ranging from \$147,000,000 to \$608,000,000. Withdrawals from 1930 through 1934 alone exceeded the previous accumulation, while further negative entries in the recovery period thereafter resulted in additional dissavings of almost \$3,000,000,000.

### Mining

"Capital dissipation has been the rule in mining since 1920. This group had the largest dissavings of any of the major industries for the years 1922-1940, and accounted for almost a third of all corporate withdrawals over the period. About 40% of the aggregate withdrawals of \$3,900,000,000 since World War I were made in the period before the Thirties.

"The negative entry for 1940 was \$139,000,000 as against dissavings of \$123,000,000 in 1939 and \$140,000,000 in 1937. The sole positive entry of \$147,000,000 was reported in 1920 while the largest negative item was \$393,000,000 in 1931.

### Service

"Corporations in the amusement, hotel and other service fields more closely approached positive savings in 1940 than did any of the other major dissavings groups. Negative savings incurred by the service industries totaled only \$19,000,000. They had grown successively smaller each year since 1932 when the amount of dissavings reported approached \$500,000,000.

"Since World War I, service corporations have suffered negative savings of \$1,800,000,000. They entered the Thirties with \$237,000,000 of positive savings to their credit. The maximum savings attained was \$55,000,000 in 1925."

## Conferences On Retail Furniture Problems

The National Retail Furniture Association is currently sponsoring a series of conferences in various cities seeking to analyze the outlook for the trade, since marketing and governmental control problems with which dealers in furniture and home furnishings are contending have become so serious. The first meeting, covering the Mid-West, was held in Chicago on Oct. 29 and the second conference, concerning the Atlantic seaboard, will be held today (Nov. 5) in New York City. The Southeastern Conference will be held in Atlanta Nov. 10 and 11. According to Roscoe R. Rau, Executive Vice President and Secretary of the Association, the retail furniture trade is facing these nine major problems: the availability of goods, merchandising in wartime, curtailment of services, delivery restrictions, rationing, price regulations, transportation, Regulation W and tax problems.

## Living Costs In Large Cities Advanced 0.3% Between Aug. 15-Sept. 15, Labor Bureau Says

A rise of 0.3% in living costs for families of city workers from Aug. 15 to Sept. 15, 1942 was reported by Secretary of Labor Perkins on Oct. 25. This represents a rise of 1.6% since mid-May, when the General Maximum Price Regulation became effective. Some further rise has occurred since Sept. 15, particularly in food costs, so that the Executive Order of Oct. 3 froze living costs at a level about 20% higher than in August, 1939, the month before the war broke out in Europe. This compares with an increase of 30% in the same period of the last war.

From the Labor Department's announcement we also quote:

"Between mid-May and mid-September, 1942, food costs moved up over 4%, while rents and clothing costs were lower. Prices of housefurnishings were higher and service charges had been advanced. Taken as a whole, the cost of goods and services under the control of the Office of Price Administration were below the level prevailing in mid-May when controls were established. Commodities and services not subject to OPA control, largely foods and professional and personal services, however, had risen 4.7% between May 15 and Sept. 15. Thus, although prices of foods under OPA control were at about the same level as in May, prices of uncontrolled foods had risen over 10%.

"The following table shows changes since a month ago, three months ago, and since May, incorporating revisions of July and August figures:

	8-15 to 9-15, 1942	6-15 to 9-15, 1942	5-15 to 9-15, 1942
All items	+0.3	+1.2	+1.6
Controlled	+0.2	+0.5	-0.3
Uncontrolled	+0.4	+2.9	+4.7
Food	+0.4	+2.8	+4.1
Controlled	+0.5	+1.2	+0.2
Uncontrolled	+0.3	+5.2	+10.2
Clothing	+0.5	+0.4	-0.3
Rent's	-0.5	-0.5	-1.7
Fuel, electricity & ice	+1.1	+1.1	+1.1
Housefurnishings	+0.5	+1.1	+1.2
Miscellaneous	+0.3	+0.5	+0.5

"In the month from mid-August to mid-September, the principal increases were in foodstuffs, with the exception of seasonal declines in some vegetables and fruits; and in clothing and housefurnishings, as new fall lines were introduced at prices higher than those prevailing last winter. Rents were comparatively stable, with slight declines reported in cities recently brought under OPA control. Costs of fuel were higher in mid-September, particularly as compared with June levels, in part because of seasonal advances in coal.

"Food Costs: Retail costs of food rose 0.4% between mid-August and mid-September. Price increases were reported for most important foods except fresh fruits and vegetables, which showed substantial seasonal decreases. However, eggs, dairy products, and meats rose in price by somewhat less than their usual August to September advance.

"Prices of food not under direct control by the OPA increased slightly more than 0.3% over mid-August and by mid-September were 10.2 higher than on May 12 and 34.6% above the 1935-39 average. The advance from August to September was much smaller than in previous months because of the substantial seasonal decline in prices of fresh fruits and vegetables, but prices of other foodstuffs not under control of the OPA continued to increase sharply.

"Prices of foods under OPA control increased an average of 0.5%. Increases were reported for beef and veal (0.6%), pork (0.6%), and lamb (0.5%). In other years, advances in meat prices at this season have usually been much larger. Prices of canned fruits rose as the 1942 pack moved into the retail markets and ceilings were adjusted under the OPA regulations of Aug. 5.

"Rent: Although there was no change in rents for the large cities as a group, in eight of the 21 cities in which quotations on rents are obtained monthly, rents de-

clined slightly from August to September. Federal control of rents had been established before Sept. 1 in six of these eight cities. In Kansas City, where control was established on Sept. 1, and in Houston, where there is as yet no Federal control, the average rental bill also declined slightly (0.2% in both cities) over the month.

"During the quarter ending Sept. 15, Federal control of rents was established in 17 of the 34 cities covered by the Bureau of Labor Statistics' cost of living index. This action brought rents in 24 of these 34 cities under Federal control. In 13 of the 17 cities, rents dropped over the quarter. The largest declines occurred in Baltimore (6.2%), Jacksonville (4.8%), and Indianapolis (3.4%). In all but one city (Scranton) of the 10 in which controls have not yet been imposed, the net rental bill increased from mid-June to mid-September.

"With the current cost of living survey, the Bureau of Labor Statistics inaugurated a new method of obtaining quotations for rents in 13 of the 34 cities covered. In these 13 cities, rental quotations were obtained directly from tenants, whereas in the past, the data have been obtained in large part from rental management agencies. This change was made in order to maintain the accuracy of the Bureau's rent data in the war situation, since many owners are now renting to tenants directly. Further, suburban areas around a number of the cities have for the first time been included in the reports.

"Fuel, Electricity and Ice: There were general increases in fuel prices, both from August to September and for the entire quarter covered by this report. In all the Northern cities on the Atlantic Coast in which fuel oil is used for heating the net prices in September were higher than in June, as the advance early in July was not fully absorbed in the reduction ordered in August. Kerosene prices also rose throughout the East and coal prices were higher at the end of the quarter in 14 cities. The largest increases occurred in Cincinnati, Cleveland, Detroit, and Mobile. There was a large rise in the price of wood and sawdust in Portland, Oregon. The price of ice was generally stable, except for a rise in September in four cities and a decline in one. Utility rates also were stable during the quarter with the exception of advances in gas rates to domestic users in Boston and in Portland, Maine, as a result of increases in coal prices, and a reduction in Houston.

"Clothing and Housefurnishings: Increases in clothing costs were quite general from August to September and in the quarter ending Sept. 15, as fall and winter clothing appeared in retail stores at prices higher than those which prevailed last winter. Prices of most year-round goods remained unchanged, or declined because of special sales in a few cities.

"Prices of men's topcoats and wool suits and of women's winter coats were from 6 to 14% higher than last December. Women's percale dresses rose by 0.9% from August to September, bringing the total increase since December to 12%.

"There was a net rise in the cost of housefurnishings both in the month and in the past quarter, although there was considerable variation from city to city. In spite of the recent rise, prices on Sept. 15 of most important house-

furnishings were still below the May 15 level, before controls were established.

"Prices of sheets dropped in some cities and increased in others. Blanket prices in September were higher in many cities than they were last fall. Electric light bulbs were the only articles for which consistent price decreases were reported this quarter throughout the country.

"Miscellaneous Costs: From June to September there were large increases in service costs which constitute an important part of the miscellaneous expenses of city families of moderate means. Laundry services, dry cleaning, shoe repairs and automobile repairs were placed under Federal control on July 1. However, professional and personal services, such as those rendered by barber shops and beauty parlors, and by physicians, surgeons, dentists and hospitals are not under OPA control, nor are motion picture admissions and newspaper prices, and these charges have continued to rise.

"The growing shortage of doctors and nurses and the consequent pressure on the medical profession resulted in increases in fees to physicians, surgeons, dentists or hospitals in 22 of the 34 cities covered by the index. In the last month of the quarter, large increases in miscellaneous costs occurred in Pittsburgh, where admissions to motion pictures and the price of newspapers were both increased, and in Denver and Philadelphia, where barber-shop charges were increased."

## NAM To Sponsor War Health Clinic Series

Realizing that "all the machines in the world are worthless unless there are strong, capable workers to operate them," the National Association of Manufacturers announced on Oct. 19 it will intensify its efforts this Fall to stress industrial health and nutrition programs through a series of War-time Clinics on Health in Industry. The first of the series of Fall clinics is scheduled for Nov. 4 at Camden, N. J., under the joint sponsorship of the Manufacturers' Committee of the Camden County Chamber of Commerce and the NAM. Dr. Victor G. Heiser, author of "An American Doctor's Odyssey" and consultant to the NAM Committee on Healthful Working Conditions and Dr. William M. Gafaer, Chief of the Statistical Unit, United States Public Health Service, Washington, will be the principal speakers. The Association adds that arrangements are being made with trade associations in other cities to arrange for further wartime clinics this Fall and Winter, similar to those conducted last Spring in New Haven, St. Louis and Kansas City. Sponsorship of the clinics is an activity of the NAM's Committee on Healthful Working Conditions of which Philip M. Morgan, President of Morgan Construction Co., Worcester, Mass., is Chairman.

## W. T. Page Dies

William Tyler Page, Clerk of the House of Representatives from 1919 to 1931 and an employee of the House for more than 60 years, died on Oct. 19 at his home in Chevy Chase, Md. He was 74 years old. Mr. Page was author of "The American's Creed."

A native of Frederick, Md., Mr. Page began his life-time service at the Capitol as a page in the House in 1881. He later advanced to secretary and became Clerk of the House in 1919. When Mr. Page was succeeded in 1931, with the control of the House shifting to the Democrats that body created the new post of minority clerk emeritus for him for life.

## Building Permit Valuations 70% Lower In Sept. Nine Months' Total Decreased 37% From 1941

Building permit valuations for September were 70% lower than during September 1941, Secretary of Labor Frances Perkins reported on Oct. 24. "The major part of this reduction was in Federally financed projects, but private building also decreased," she said. "The most pronounced decline, 82%, occurred in the value of new non-residential buildings. The value of new residential building declined 64%, while additions, alterations and repairs to existing structures showed a decline of 33%."

Secretary Perkins further reported:

"From August to September, 1942 there was a decline of 16% in indicated expenditures for building construction. This decrease resulted from a falling off of 36% in permit valuations for new non-residential building, and a decline of 10% in the valuations of additions, alterations, and repairs. There was an increase of 0.7% in indicated expenditures for new residential building.

"During the first three-quarters of 1942, permits were issued in reporting cities for buildings valued at \$1,497,199,000, a decrease of 37%, as compared with the corresponding period of 1941. Permit valuations for new residential buildings for the first nine months of the current year amounted to \$663,244,000, a decline of 44%, as compared with the same period of the preceding year. Over the same period, new non-residential valuations showed a decrease of 31%, and additions, alterations, and repairs a decline of 27%."

The Labor Department's announcement likewise said:

"Tabulations of the Bureau of Labor Statistics include contracts awarded by Federal and State Governments in addition to private and municipal building construction. For September 1942, Federal and State construction in the 2,366 reporting cities totaled \$24,955,000; for August 1942, \$40,656,000, and for September 1941, \$163,210,000.

"Changes in permit valuations in the 2,366 reporting cities between September 1942, August 1942, and September 1941 are summarized below:

Class of construction	Change from Aug. 1942 to Sept. 1942	All cities
New residential	+0.7%	
New non-residential	-35.9%	
Additions, alterations and repairs	-10.2%	
All construction	-15.6%	
Class of construction	Change from Sept. 1941 to Sept. 1942	All cities
New residential	-64.0%	
New non-residential	-81.9%	
Additions, alterations and repairs	-32.6%	
All construction	-69.9%	

"Comparisons of permit valuations in cities reporting for the first nine months of 1941 and 1942 are shown in the following table:

Class of construction	Change from first 9 months of 1941 to first 9 months of 1942	All cities
New residential	-44.0%	
New non-residential	-31.4%	
Additions, alterations and repairs	-26.9%	
All construction	-37.1%	

"In the 2,366 reporting cities, permits were issued in September 1942 for new housekeeping dwellings which will provide 14,088 dwelling units, or 17% less than 16,944 dwelling units provided in the previous month, and 61% less than the number provided in September 1941. Dwelling units in publicly financed housing projects included in these totals numbered 1,638 in September 1942; 1,803 in August 1942, and 9,631 in September 1941.

"Principal centers of various types of building construction for which permits were issued or contracts were awarded in September 1942, except those awarded by the War and Navy Departments, Maritime Commission, and the

Defense Plant Corporation which have been excluded because of their confidential nature, were: Bridgeport, Conn., factories to cost \$672,000; Bristol, Conn., 1-family dwellings to cost \$319,000; Williamantic, Conn., factories and office buildings to cost \$2,054,000; New York City, Borough of Queens, 1-family dwellings to cost \$570,000; Philadelphia, Pa., 1-family dwellings to cost \$980,000; Cicero, Ill., factories to cost \$380,000; East Moline, Ill., State hospital to cost \$334,000; Hammond, Ind., 1-family dwellings to cost \$428,000; Detroit, Mich., 1-family dwellings to cost \$1,830,000, 2-family dwellings to cost \$479,000 and factories to cost \$303,000; Highland Park, Mich., hospital to cost \$400,000; Saginaw, Mich., additions to hospitals to cost \$353,000; Akron, Ohio, 1-family dwellings to cost \$334,000; Cleveland, Ohio, 1-family dwellings to cost \$349,000 and factories to cost \$1,258,000; Columbus, Ohio, 1-family dwellings to cost \$365,000; Baltimore, Md., 1-family dwellings to cost \$416,000; Alexandria, Va., multi-family dwellings to cost \$773,000; Arlington County, Va., multi-family dwellings to cost \$1,184,000; Bristol, Va., factories to cost \$300,000; Norfolk, Va., 1-family dwellings to cost \$300,000; Las Vegas, Nev., 1-family dwellings to cost \$513,000; Alameda, Calif., office buildings to cost \$310,000 and a wharf to cost \$446,000; Burbank, Calif., factories to cost \$550,000; Los Angeles, Calif., 1-family dwellings to cost \$1,393,000, 2-family dwellings to cost \$383,000, and multi-family dwellings to cost \$1,094,000; Napa, Calif., 1-family dwellings to cost \$684,000; San Bernardino, Calif., 1-family dwellings to cost \$593,000; Seattle, Wash., 1-family dwellings to cost \$337,000; Spokane, Wash., office buildings to cost \$410,000, and Tacoma, Wash., 1-family dwellings to cost \$958,000.

"Contracts were awarded during September for the following publicly financed housing projects containing the indicated number of units: Portland, Maine, \$786,000 for 200 dwelling units; Hartford, Conn., \$792,000 for 200 dwelling units; Hingham, Mass., \$327,000 for 77 dwelling units; Asbury Park, N. J., \$223,000 for 59 dwelling units; Long Branch, N. J., \$307,000 for 82 dwelling units; Washington, D. C., \$807,000 for 204 dwelling units and \$2,367,000 for dormitories; Panama City, Fla., \$848,000 for 496 dwelling units and \$241,000 for dormitory apartments; Tarrant, Ala., \$11,000 for four dwelling units; Arlington County, Va., \$4,268,000 for dormitories, and Portland, Ore., \$692,000 for 288 demountable dwelling units."

## OPA Sugar Allotments

The Office of Price Administration announces that consumers may purchase three pounds of sugar with war-ration stamp No. 9 in the six-week period of Nov. 1 to Dec. 15. Stamp No. 8 calling for five pounds, expires on Oct. 31.

The allotments for industrial and institutional users for the November-December period is fixed at 70% of the sugar base established by them.

While the industrial users received a 10% bonus for the September-October period, it was said that the present sugar supply does not justify a continuance of these bonus increases.

# 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	Ave. Corpo- rate*	Corporate by Ratings*				Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
Nov 3	117.38	107.62	117.20	114.27	108.70	92.64	97.31	112.00	114.27
Oct 31	117.38	107.44	117.00	114.08	108.70	92.50	97.31	112.00	114.27
30	117.38	107.44	117.00	114.08	108.70	92.50	97.31	112.00	114.27
29	117.38	107.44	117.00	114.08	108.52	92.50	97.31	111.81	114.27
28	117.38	107.44	117.00	114.08	108.52	92.50	97.31	111.81	114.08
27	117.38	107.44	117.00	114.08	108.52	92.50	97.31	111.81	114.27
26	117.38	107.44	117.00	114.08	108.52	92.64	97.31	111.81	114.27
24	117.38	107.44	117.00	114.08	108.70	92.64	97.47	111.81	114.46
23	117.38	107.44	117.00	114.08	108.70	92.50	97.31	111.81	114.27
22	117.40	107.44	117.00	114.08	108.70	92.64	97.31	111.81	114.46
21	117.40	107.44	117.00	114.08	108.70	92.64	97.31	111.81	114.46
20	117.40	107.44	117.00	114.08	108.70	92.50	97.31	111.81	114.46
19	117.38	107.44	117.00	114.08	108.70	92.50	97.31	111.81	114.46
17	117.37	107.44	117.00	114.08	108.70	92.50	97.31	111.81	114.46
16	117.37	107.44	117.00	114.08	108.70	92.50	97.31	111.81	114.46
15	117.37	107.44	117.00	114.08	108.70	92.50	97.31	111.81	114.46
14	117.37	107.62	117.00	114.08	108.70	92.64	97.47	111.81	114.46
13	117.37	107.62	117.00	114.08	108.70	92.64	97.47	111.81	114.46
12									
10	117.36	107.62	117.20	114.08	108.70	92.64	97.47	111.81	114.46
9	117.38	107.44	117.20	114.08	108.70	92.50	97.31	111.81	114.46
8	117.38	107.44	117.20	114.08	108.70	92.50	97.31	111.81	114.46
7	117.33	107.44	117.20	114.08	108.70	92.35	97.31	111.81	114.46
6	117.30	107.44	117.00	114.08	108.70	92.35	97.31	111.81	114.27
5	117.40	107.27	117.00	113.89	108.70	92.20	97.16	111.62	114.27
3	117.39	107.27	117.00	113.89	108.52	92.35	97.16	111.62	114.27
2	117.39	107.27	117.00	113.89	108.52	92.35	97.16	111.62	114.27
1	117.36	107.27	117.00	113.89	108.52	92.35	97.16	111.62	114.27
Sep 25	117.51	107.27	117.00	113.89	108.70	92.06	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
11	117.75	107.09	116.80	113.50	108.34	92.06	96.69	111.81	113.89
4	117.80	107.09	117.00	113.31	108.34	92.06	96.54	111.62	114.08
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	96.58	111.44	114.08
14	117.92	106.92	116.80	113.31	108.16	92.06	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
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	107.62	117.20	114.27	108.70	92.64	97.47	112.00	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									
Nov. 3, 1941	120.04	108.34	118.60	115.82	109.42	92.06	97.47	112.19	116.22
2 Years ago									
Nov. 2, 1940	117.02	105.17	117.20	113.12	105.00	88.40	94.26	109.79	112.37

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

1942— Daily Averages	U. S. Govt. Bonds	Ave. Corpo- rate*	Corporate by Ratings				Corporate by Groups		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
Nov 3	2.05	3.30	2.79	2.94	3.24	4.23	3.92	3.06	2.94
Oct 31	2.05	3.31	2.80	2.95	3.24	4.24	3.92	3.06	2.94
30	2.05	3.31	2.80	2.95	3.24	4.24	3.92	3.06	2.94
29	2.05	3.31	2.80	2.95	3.25	4.24	3.92	3.07	2.94
28	2.05	3.31	2.80	2.95	3.25	4.24	3.92	3.07	2.95
27	2.05	3.31	2.80	2.95	3.25	4.24	3.92	3.07	2.94
26	2.05	3.31	2.80	2.95	3.25	4.23	3.92	3.07	2.94
24	2.05	3.31	2.80	2.95	3.24	4.23	3.91	3.07	2.93
23	2.05	3.31	2.80	2.95	3.24	4.24	3.92	3.07	2.94
22	2.05	3.31	2.80	2.95	3.24	4.23	3.92	3.07	2.93
21	2.05	3.31	2.80	2.95	3.24	4.23	3.92	3.07	2.93
20	2.05	3.31	2.80	2.95	3.24	4.24	3.92	3.07	2.93
19	2.05	3.31	2.80	2.95	3.24	4.24	3.92	3.07	2.93
17	2.05	3.31	2.80	2.95	3.24	4.24	3.92	3.07	2.93
16	2.05	3.31	2.80	2.95	3.24	4.24	3.92	3.07	2.93
15	2.05	3.31	2.80	2.95	3.24	4.23	3.91	3.07	2.93
14	2.05	3.30	2.80	2.95	3.24	4.23	3.91	3.07	2.93
13	2.05	3.30	2.80	2.95	3.24	4.23	3.91	3.07	2.93
12									
10	2.05	3.30	2.79	2.95	3.24	4.23	3.91	3.07	2.93
9	2.05	3.31	2.79	2.95	3.24	4.24	3.92	3.07	2.93
8	2.05	3.31	2.79	2.95	3.24	4.24	3.92	3.07	2.93
7	2.06	3.31	2.79	2.95	3.24	4.25	3.92	3.07	2.93
6	2.06	3.31	2.80	2.95	3.24	4.25	3.92	3.07	2.94
5	2.05	3.32	2.80	2.96	3.24	4.26	3.93	3.08	2.94
3	2.05	3.32	2.80	2.96	3.25	4.25	3.93	3.08	2.94
2	2.05	3.32	2.80	2.96	3.25	4.25	3.93	3.07	2.94
1	2.05	3.32	2.80	2.96	3.25	4.25	3.93	3.08	2.94
Sep 25	2.04	3.32	2.80	2.96	3.24	4.27	3.94	3.08	2.95
18	2.03	3.32	2.80	2.97	3.25	4.27	3.95	3.07	2.95
11	2.03	3.33	2.81	2.98	3.26	4.27	3.96	3.07	2.96
4	2.03	3.33	2.80	2.99	3.26	4.27	3.97	3.08	2.95
Aug 28	2.03	3.34	2.81	2.99	3.27	4.27	3.97	3.08	2.95
21	2.02	3.34	2.81	2.99	3.27	4.27	3.98	3.09	2.95
14	2.02	3.34	2.81	2.99	3.27	4.28	3.99	3.09	2.95
7	2.02	3.34	2.82	3.00	3.27	4.28	3.99	3.09	2.94
July 31	2.01	3.34	2.83	2.98	3.27	4.29	4.00	3.09	2.94
24	2.00	3.35	2.82	2.99	3.28	4.29	4.01	3.08	2.95
17	1.99	3.35	2.83	3.00	3.28	4.30	4.02	3.09	2.94
10	1.98	3.35	2.83	2.99	3.29	4.30	4.02	3.10	2.95
3	1.98	3.36	2.84	3.00	3.28	4.32	4.02	3.10	2.96
June 26	1.96	3.37	2.84	3.01	3.29	4.34	4.04	3.12	2.96
May 29	1.95	3.37	2.85	3.01	3.31	4.29	4.00	3.13	2.97
Apr. 24	1.99	3.35	2.84	3.00	3.30	4.27	3.96	3.13	2.97
Mar. 27	1.96	3.35	2.84	2.98	3.30	4.28	3.94	3.15	2.98
Feb. 27	2.11	3.37	2.87	2.99	3.30	4.30	3.95	3.16	2.99
Jan. 30	2.05	3.34	2.84	2.97	3.29	4.27	3.92	3.14	2.97
High 1942	2.14	3.39	2.88	3.02	3.33	4.37	4.05	3.19	3.02
Low 1942	1.93	3.30	2.79	2.94	3.24	4.23	3.91	3.06	

### Consumer Instalment Lending Down In Sept.

The Board of Governors of the Federal Reserve System announced on Oct. 28 that at the end of September 1942 consumer instalment loans outstanding in industrial banks, personal finance companies, and credit unions amounted to an estimated total of \$842,400,000. This, according to the Board, "represents a decline of 20% since the end of 1941. The decline during September was 3.3%, compared with an average decline of about 2.2% per month for the year to date." Personal finance companies have shown the smallest relative decline in their receivables during 1942, while credit unions have shown the greatest. The Board also says:

"Loans totaling \$108,000,000 were made by credit unions, industrial banks and personal finance companies during September 1942, showing a decline of 1.5% from the previous month, and of 17.5% from the same month a year ago. Estimated repayments, aggregating \$137,000,000, were about 5% less than a year ago."

Estimated	Totals for United States		Percentage changes from—		
	Amounts in millions of dollars		Aug. '42	Sept. '41	Jan.-Sept. '41
	Sept. 1942	Aug. 1942	Sept. '42	Sept. '41	Jan.-Sept. '41
Volume of loans made:					
Personal finance companies	60.1	60.3	+ 0.3	-12.3	-17.2
Industrial banking companies	31.6	33.4	+ 5.4	-17.5	-26.0
Credit unions—total	16.3	16.0	+ 1.9	-31.7	-37.4
State-chartered	10.9	10.7	+ 1.9	-31.4	-36.6
Federal-chartered	5.4	5.3	+ 1.9	-33.3	-39.0
Repayments:					
Personal finance companies	73.6	75.8	+ 2.9	- 1.2	- 2.8
Industrial banking companies	40.4	41.3	+ 2.2	- 4.7	- 7.0
Credit unions—total	23.3	22.6	+ 3.1	-10.0	- 4.9
State-chartered	15.7	15.1	+ 4.0	- 8.2	- 5.2
Federal-chartered	7.6	7.5	+ 1.3	-13.6	- 4.4
Outstanding at end of month:					
Personal finance companies	452.0	465.5	+ 2.9	-14.7	---
Industrial banking companies	236.7	245.5	+ 3.6	-22.4	---
Credit unions—total	153.7	160.4	+ 4.4	-30.4	---
State-chartered	110.2	114.7	+ 3.9	-28.9	---
Federal-chartered	43.5	45.7	+ 4.8	-33.6	---

### Engineering Construction 17% Above Week Ago Private And Public Volumes Gain

Engineering construction volume for the week totals \$103,282,000, an increase of 17% over the preceding week, and 1% above the corresponding 1941 week as reported by "Engineering News-Record" on Oct. 29. Both private and public construction are higher than a week ago, the former climbing 69%, and the latter 15%. Private work, however, is 79% below a year ago, but public construction is up 44%. Federal construction is 12 and 110% higher, respectively, than last week and last year. The report added:

The current week's construction brings the 1942 volume to \$8,324,585,000, an increase of 59% over the \$5,250,210,000 reported for the 44-week period in 1941. Private work, \$511,781,000, is 52% under the period last year, but public construction, \$7,812,804,000, is 87% higher as a result of the 136% climb in Federal work.

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

	Oct. 30, 1941	Oct. 22, 1942	Oct. 29, 1942
Total Construction	\$102,695,000	\$87,995,000	\$103,282,000
Private Construction	36,360,000	4,425,000	7,487,000
Public Construction	66,335,000	83,570,000	95,795,000
State and Municipal	23,455,000	3,335,000	6,045,000
Federal	42,880,000	80,235,000	89,750,000

In the classified construction groups, gains over a week ago are in waterworks, sewerage, industrial and commercial buildings, and unclassified construction. Increases over the 1941 week are in waterworks, sewerage, public buildings, streets and roads, and unclassified construction. Subtotals for the week in each class of construction are: waterworks, \$3,295,000; sewerage, \$2,953,000; bridges, \$257,000; industrial buildings, \$3,932,000; commercial building and large-scale private housing, \$2,780,000; public buildings, \$48,241,000; earthwork and drainage, \$1,068,000; streets and roads, \$7,314,000, and unclassified construction, \$33,442,000.

New capital for construction purposes for the week totals \$1,400,000. This compares with \$158,676,000 for the corresponding 1941 week. The current week's new financing is made up of \$800,000 in State and municipal bond sales, and \$600,000 in corporate security issues.

New construction financing for the year to date, \$9,555,998,000, is 57% higher than the \$6,089,206,000 reported for the 44-week period last year.

### Wholesale Commodity Prices Advanced 0.1% In October 24 Week, Labor Bureau Reports

The Bureau of Labor Statistics, U. S. Department of Labor, announced on Oct. 29 that following last week's decline, commodity prices in primary markets again turned moderately upward during the week ended Oct. 24. The Bureau's wholesale price index of 889 series advanced 0.1%. Prices strengthened for agricultural products, including most livestock, except hogs; for cotton, eggs, and certain fruits and vegetables. At 99.7% of the 1926 average the Bureau's index is slightly below the high level of early October.

The Bureau's announcement further reported: "Farm Products and Foods: Prices for fruits and vegetables averaged 1.3% higher than during the week ended Oct. 17, while livestock rose 1.2%. Live poultry was up over 10%; lambs, nearly 5%; cows, about 2.5%, and steers, more than 2%. The cotton market advanced about 1.5% and eggs were up 1%. Citrus fruits, apples, and potatoes advanced seasonally. Grain markets weakened on reports of large crops and the average for all grains dropped 1.3%. Prices were also lower for hogs, and Argentine wool.

"Average prices for foods were unchanged during the week. Prices were higher for fruits and vegetables, mutton, dressed poultry, cheese, and peanut butter. These advances were counterbalanced by declines for fresh beef, flour, and corn meal. Prices for foods as a

group remained slightly below the peak reached early in October. "Cattle feed advanced 1.3%. "Industrial Commodities: Industrial commodity markets continued steady except for higher prices for Oklahoma fuel oil and rosin and lower prices for Pennsylvania neutral oil, phosphate rock, turpentine, and oak lumber."

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

The following table shows index numbers for the principal groups of commodities for the past three weeks, for Sept. 26, 1942 and Oct. 25, 1941 and the percentage changes from a week ago, a month ago, and a year ago:

Commodity groups	(1926=100)					Percentage changes to Oct. 24, 1942 from—		
	10-24 1942	10-17 1942	10-10 1942	9-26 1942	10-25 1941	10-17 1942	9-26 1942	10-25 1941
All commodities	*99.7	*99.6	*99.8	*99.4	91.2	+0.1	+0.3	+ 9.3
Farm products	108.7	107.9	108.9	107.3	88.1	+0.7	+1.3	+23.4
Foods	103.1	103.1	103.3	102.0	87.5	0	+1.1	+17.8
Hides and leather products	118.4	118.4	118.4	118.4	113.2	0	0	+ 4.6
Textile products	96.5	96.5	96.5	96.7	90.3	0	-0.2	+ 6.9
Fuel and lighting materials	79.6	79.7	79.7	79.6	79.9	-0.1	0	- 0.4
Metals and metal products	*103.9	*103.9	*103.9	*103.9	102.2	0	0	+ 1.7
Building materials	110.2	110.2	110.5	110.5	107.0	0	-0.3	+ 3.0
Chemicals and allied products	96.1	96.1	96.2	96.2	89.6	0	-0.1	+ 7.3
Housefurnishing goods	104.1	104.1	104.1	104.1	99.9	0	0	+ 4.2
Miscellaneous commodities	88.3	88.4	88.4	88.6	85.5	-0.1	-0.3	+ 3.3
Raw materials	102.5	102.0	102.6	101.5	88.2	+0.5	+1.0	+16.2
Semimanufactured articles	92.5	92.5	92.8	92.8	89.7	0	-0.3	+ 3.1
Manufactured products	*99.6	*99.7	*99.7	*99.5	93.1	-0.1	+0.1	+ 7.0
All commodities other than farm products	*97.7	*97.8	*97.9	*97.7	91.9	-0.1	0	+ 6.3
All commodities other than farm products and foods	*95.6	*95.6	*95.7	*95.7	93.0	0	-0.1	+ 2.8

### National Fertilizer Association Commodity Price Index Unchanged

The weekly wholesale commodity price index compiled by The National Fertilizer Association and made public on Nov. 2, remained unchanged at a near-record level last week. This index, in the week ended Oct. 31, 1942, remained at 130.0% of the 1935-39 average, slightly below the peak of 130.2 reached on Oct. 3, just before the new anti-inflation regulations became effective. This index stood at 130.0 a month ago and 116.1 a year ago. The Association's report added:

Although there were fractional advances in the foods group, as well as in several industrial groups, the decline in the farm products group was enough to hold the general index to the same level as in the preceding week. The foodstuffs index rose to 132.9, a new high point. Prices for farm products generally moved lower because of new maximum dollar-and-cents prices on pork products and because of anticipated further extension of Federal price controls over agricultural products. The textile index declined, due to a drop in the price of raw cotton. Fractional advances were recorded by the indexes representing the prices of miscellaneous commodities and fertilizer materials.

During the week prices of 12 commodities advanced and 8 declined; in the preceding week there were 14 advances and 4 declines; in the second preceding week there were 23 advances and 8 declines.

% Each Group Bears to the Total Index	Group	Latest	Preceding	Month	Year
		Week	Week	Ago	Ago
		Oct. 31, 1942	Oct. 24, 1942	Sep. 26, 1942	Nov. 1, 1941
25.3	Foods	132.9	132.6	132.2	112.5
	Fats and Oils	146.2	145.9	141.2	122.6
	Cottonseed Oil	156.1	156.1	153.9	145.3
23.0	Farm Products	142.2	142.5	142.1	115.7
	Cotton	180.2	181.3	178.0	155.0
	Grains	112.3	112.6	119.0	105.2
	Livestock	143.6	143.6	142.0	109.8
17.3	Fuels	119.3	119.3	119.3	112.3
10.8	Miscellaneous commodities	127.2	126.7	126.7	125.1
8.2	Textiles	148.0	148.2	147.2	140.0
7.1	Metals	104.4	104.4	104.4	104.0
6.1	Building materials	151.4	151.4	151.5	131.5
1.3	Chemicals and drugs	120.7	120.7	120.7	112.3
1.3	Fertilizer materials	117.4	117.3	117.9	114.5
0.3	Fertilizers	115.3	115.3	115.3	107.5
0.3	Farm machinery	104.1	104.1	104.1	100.2
100.0	All groups combined	130.0	130.0	130.0	116.1

\*Indexes on 1926-1928 base were: Oct. 31, 1942, 101.3; Oct. 24, 101.3, Nov. 1, 1941, 90.4.

### Groups Named To Pass On Construction Work

The War Production Board has set up administrative machinery to pass on virtually all construction projects, whether military or civilian, in a move to stop all work not "directly essential to the war effort" and to divert the labor and materials into war channels.

WPB Chairman Donald M. Nelson announced on Oct. 21 that he had ordered that priority assistance with respect to all non-military construction for the Federal Government be revoked and that a review be made of all military projects with the same end in view.

Notifying the heads of eight governmental agencies of his ac-

tion, Mr. Nelson said that "as things now stand, facilities and construction, including many projects not related to the war effort, programs for 1943, with the carry-over of uncompleted 1942 projects will absorb between one-fifth and one-fourth of the total war effort."

His letter further stated: "As a result the aggregate demand of such projects for materials, labor, transportation, manpower and technical and engineering services is so great as not only to jeopardize the various military and essential civilian production programs in general, but to force the most essential war projects dangerously behind schedule. I refer particularly to the rubber program, the high octane gasoline program, the aluminum and steel expansion program, the aviation

program and other like items of the most critical essentiality.

"In this connection I am concerned not only with civilian but with military construction as well, which, with the concurrence of the Under-Secretaries of War and the Navy, is also to be reviewed and restricted in the light of its essentiality under present conditions."

Mr. Nelson explained that experience had shown that the situation could not be effectively controlled merely through the granting of low priority ratings. He notified the War, Navy, Commerce, Interior and Agriculture Departments, the Maritime Commission and the Tennessee Valley Authority.

The new committees set up by the WPB are the Facility Clearance Board, which will pass on all new projects, civilian and military, involving construction of buildings and facilities costing \$500,000 or more, and the Facility Review Committee, which will pass on all new projects costing less than \$500,000 and, in addition, on all projects, regardless of cost, which now are under way.

Ferdinand Eberstadt, WPB Vice-Chairman in charge of materials and program determination, is Chairman of the Facility Clearance Board and Col. Gordon E. Textor, an Army engineer connected with the WPB, will head the other group.

The contemplated construction program for 1942 and 1943—including building, equipment and machinery—was estimated at approximately \$33,800,000,000, WPB officials said. Of this amount about \$16,000,000,000 was contemplated for 1943 and it is largely this work which will be affected by Mr. Nelson's order, it was pointed out.

### Final Decree In Liquidation Of St. Louis Land Bank

S. L. Cantley, Receiver of the St. Louis Joint Stock Land Bank, recently issued the following announcement to persons interested in the liquidation of the bank:

"On Sept. 23, 1942 the District Court of the United States at St. Louis entered its final decree in the case of Andrews, et al v. St. Louis Joint Stock Land Bank, et al, pursuant to the mandate of the United States Circuit Court of Appeals for the Eighth District. The final decree governs the further distribution of the assets now in the hands of the Receiver.

"In order to comply with this decree it will be necessary for the Receiver to analyze the assets, income and expenses of the trust estate and thereby, after giving effect to the dividends previously declared and paid, to determine the amounts distributable among the holders of bonds of the St. Louis Bank, the Cape Girardeau Bank and the Greenville Bank, respectively. Since it has not been possible to complete this work in time to issue the usual quarterly statement dated as of Sept. 30, the issuance of that statement will be omitted."

### McLaughlin RR. Bill Signed By President

President Roosevelt on Oct. 16 signed the so-called McLaughlin bill (H. R. 7121) authorizing voluntary reorganization of railroads along lines of the old Chandler Act, which expired on July 31, 1940.

Under the McLaughlin bill, sponsored by Representative McLaughlin of Nebraska, a railroad has until Nov. 1, 1945 to institute reorganization proceedings.

## Daily Average Crude Oil Production For Week Ended Oct. 24, 1942 Increased 15,100 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Oct. 24, 1942 was 3,917,350 barrels, a gain of 15,100 barrels over the previous week, but when compared with the same period last year showed a decrease of 181,450 barrels. The current figure also was 148,850 barrels below the daily average figure for the month of October, 1942, as recommended by the Office of Petroleum Coordinator. Daily production for the four weeks ended Oct. 24, 1942 averaged 3,840,200 barrels. Further details as reported by the Institute follow:

Reports received from refining companies owning 85.6% of the 4,800,000 barrels estimated daily potential refining capacity of the United States, indicate that the industry as a whole ran to stills, on a Bureau of Mines' basis, 3,776,000 barrels of crude oil daily during the week ended Oct. 24, 1942, and that all companies had in storage at refineries, bulk terminals, in transit and in pipe lines as of the end of that week, 79,545,000 barrels of finished and unfinished gasoline. The total amount of gasoline produced by all companies is estimated to have been 11,486,000 barrels during the week ended Oct. 24, 1942.

### DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

State	*O.P.C. Recommendations October	*State Allowables Beginning Oct. 1	Actual Production		4 Weeks Ended Oct. 24 1942	Week Ended Oct. 25 1941
			Week Ended Oct. 24 1942	Change From Previous Week		
Oklahoma	417,000	417,000	1,364,450	+ 350	365,150	425,300
Kansas	294,000	294,000	1,303,900	+ 1,000	291,450	255,500
Nebraska	3,500		13,400	+ 100	3,400	5,650
Panhandle Texas			85,400	+ 100	85,250	79,450
North Texas			140,000		139,750	136,750
West Texas			210,000	+ 1,000	202,000	283,700
East Central Texas			97,000	+ 6,000	90,000	85,700
East Texas			362,000		344,750	369,700
Southwest Texas			166,400	+ 1,000	159,250	220,400
Coastal Texas			319,000	+ 8,000	304,000	293,000
<b>Total Texas</b>	<b>1,407,600</b>	<b>1,455,261</b>	<b>1,379,800</b>	<b>+ 16,100</b>	<b>1,325,000</b>	<b>1,468,700</b>
North Louisiana			97,850	+ 350	97,950	81,300
Coastal Louisiana			230,000	+ 1,000	228,500	263,400
<b>Total Louisiana</b>	<b>337,200</b>	<b>349,200</b>	<b>327,850</b>	<b>+ 1,350</b>	<b>326,450</b>	<b>344,700</b>
Arkansas	79,500	73,461	73,800	+ 550	73,550	71,950
Mississippi	50,000		169,650	- 200	70,400	66,450
Illinois	280,000		265,800	+ 7,500	265,750	419,700
Indiana	19,000		117,000	+ 450	17,200	19,100
Eastern (not incl. Ill. and Indiana)	107,400		95,700	- 950	96,200	92,700
Michigan	65,700		62,100	- 3,800	63,050	58,650
Wyoming	90,800		91,200	+ 350	91,600	86,150
Montana	24,400		21,900	+ 350	21,700	20,050
Colorado	7,000		7,000	+ 250	6,900	4,650
New Mexico	101,100	101,100	99,500	- 1,600	98,350	116,450
<b>Total East of Calif.</b>	<b>3,284,200</b>		<b>3,183,050</b>	<b>+ 22,500</b>	<b>3,116,150</b>	<b>3,455,700</b>
California	782,000	782,000	734,300	- 4,700	724,050	643,100
<b>Total United States</b>	<b>4,066,200</b>		<b>3,917,350</b>	<b>+ 15,100</b>	<b>3,840,200</b>	<b>4,098,800</b>

\*O.P.C. recommendations and state allowables represent the production of all petroleum liquids, including crude oil, condensate and natural gas derivatives recovered from oil, condensate and gas fields. Past records of production indicate, however, that certain wells may be incapable of producing the allowables granted, or may be limited by pipeline prorations. Actual state production would, under such conditions, prove to be less than the allowables. The Bureau of Mines reported the daily average production of natural gasoline and allied products in July, 1942, as follows: Oklahoma, 28,300; Kansas, 4,300; Texas, 98,900; Louisiana, 19,000; Arkansas, 2,900; Illinois, 8,900; Eastern (not including Illinois and Indiana), 7,800; Michigan, 200; Wyoming, 2,200; Montana, 200; New Mexico, 5,800; California, 41,000.

†Oklahoma, Kansas, Nebraska, Mississippi, Indiana figures are for week ended 7 a. m. Oct. 21.

‡This is the net basic allowable as of Oct. 1, calculated on a 31-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 4 to 16 days, the entire state was ordered shut down for 9 days, namely, Oct. 3, 4, 10, 11, 17, 18, 24, 25 and 31.

§Recommendation of Conservation Committee of California Oil Producers.

### CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE AND GAS AND FUEL OIL, WEEK ENDING OCT. 24, 1942

(Figures in Thousands of barrels of 42 Gallons Each)

District	Daily Refining Capacity	Potential % Re-ported	Crude Runs to Still Daily Average	Production at Refineries % Op-erated	Stocks at Re-fineries In-cluded	Stocks of Gas and Fuel Oil and Sid-ing Fuel	Stocks of Gas and Fuel Oil and Sid-ing Fuel	Stocks of Gas and Fuel Oil and Sid-ing Fuel
*Combin'd: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana - Arkansas and Inland Texas...	2,440	88.2	1,650	67.6	5,020	38,150	25,575	19,035
Appalachian	176	84.8	162	92.0	492	2,705	728	503
Ind., Ill., Ky.	804	83.3	773	96.1	2,554	13,826	6,168	3,137
Okl., Kansas, Mo.	416	80.1	356	85.6	1,248	6,412	1,851	1,388
Rocky Mountain	147	48.0	109	74.1	361	1,642	429	570
California	817	89.9	726	88.9	1,811	16,810	12,816	54,440
<b>Tot. U. S. B. of M. basis, Oct. 24, 1942.</b>	<b>4,800</b>	<b>85.6</b>	<b>3,776</b>	<b>78.7</b>	<b>11,486</b>	<b>79,545</b>	<b>47,567</b>	<b>79,073</b>
<b>Tot. U. S. B. of M. basis, Oct. 17, 1942.</b>	<b>4,800</b>	<b>85.6</b>	<b>3,709</b>	<b>77.3</b>	<b>11,227</b>	<b>78,956</b>	<b>46,926</b>	<b>78,537</b>
<b>U. S. Bur. of Mines basis, Oct. 25, 1941</b>			<b>4,071</b>		<b>13,836</b>	<b>82,390</b>	<b>54,946</b>	<b>94,339</b>

\*At the request of the Office of Petroleum Coordinator. †Finished 70,160,000 bbls.; unfinished 9,385,000 bbls. ‡At refiners, at bulk terminals, in transit and in pipe lines.

## N. Y. Reserve Bank Index Steady In September

In September, the seasonally adjusted index of production and trade computed at the Federal Reserve Bank of New York was 120% of estimated long-term trend, unchanged from the previous month's record level, but ten points higher than in September, 1941, the bank announced on Oct. 27. Industrial production continued to increase during September, but retail trade in general did not expand as much as usual over August.

The bank's announcement further stated:

"The index of producers' durable goods output, including many types of war goods, rose five points more during September, while consumers' durable goods production was still further curtailed. The non-durable goods index advanced two points reflecting increases in coal mining, meatpacking, and cotton consumption.

"Retail trade, on a seasonally adjusted basis, fell off again in

September after a two-month recovery from the decline that occurred during the first half of 1942. Sales of department stores and variety and grocery chain store systems did not increase as much as expected at this time of year, but mail order house sales showed approximately the usual seasonal increase."

### INDEXES OF PRODUCTION AND TRADE

100=estimated long term trend

Index of Production and Trade	1941				1942			
	Sept.	July	Aug.	Sept.	Sept.	July	Aug.	Sept.
Production	110	118	120	120	115	126	128	130
Producers' goods—total	128	126	128	130	135	156	160	164
Producers' durable goods	118	124	125	127	118	124	125	127
Consumers' goods—total	101	108	107	106	96	104	103	102
Consumers' durable goods	96	104	103	102	103	103	104	106
Consumers' nondurable goods	103	103	104	106	123	143	146	149
Durable goods—total	109	112	113	115	113	134	134	133
Nondurable goods—total	100	89	93	88	102	124	126	125
Primary distribution								
Distribution to consumer								
Miscellaneous services								

\*Indexes are preliminary. Series are adjusted individually for estimated long term trend and seasonal variation; those reported in dollars are also adjusted for price changes.

## Weekly Coal and Coke Production Statistics

The Bituminous Coal Division, U. S. Department of the Interior, in its latest report, states that the total production of soft coal in the week ended Oct. 24, 1942, is estimated at 11,350,000 net tons, a slight decrease from the total of 11,400,000 tons in the preceding week, and compares with 11,178,000 tons in the corresponding week of last year. The production of soft coal to date shows an increase of 14.7% over the same period last year.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended Oct. 24 was estimated at 1,193,000 tons, an increase of 53,000 tons (4.6%) over the preceding week. When compared with the output in the corresponding week of 1941, however, there was a decrease of 76,000 tons, or 6.0%. The calendar year to date shows a gain of 5.0% when compared with the corresponding period of 1941.

The U. S. Bureau of Mines also reported that the estimated production of byproduct coke in the United States for the week ended Oct. 24 showed a decrease of 3,400 tons when compared with the output for the week ended Oct. 17. The quantity of coke from beehive ovens increased 3,500 tons during the same period.

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

Item	Week Ended			January 1 to Date		
	Oct. 24, 1942	Oct. 17, 1942	Oct. 25, 1941	Oct. 24, 1942	Oct. 25, 1941	Oct. 23, 1937
Bituminous and lignite coal	11,350	11,400	11,178	468,357	408,266	362,068
Total, incl. mine fuel	1,892	1,900	1,863	1,876	1,641	1,452
Daily average						
*Crude petroleum—Coal equivalent of weekly output	6,275	6,251	6,565	262,808	257,794	236,576

†Total barrels produced during the week converted into equivalent coal assuming 6,000,000 B.t.u. per barrel of oil and 13,100 B.t.u. per pound of coal. Note that most of the supply of petroleum products is not directly competitive with coal (Minerals Yearbook, Review of 1940, page 775). ‡Subject to current adjustment.

### ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

(In Net Tons)

Item	Week Ended			Calendar Year to Date		
	Oct. 24, 1942	Oct. 17, 1942	Oct. 25, 1941	Oct. 24, 1942	Oct. 25, 1941	Oct. 26, 1929
Penn. anthracite	1,193,000	1,140,000	1,269,000	49,445,000	47,094,000	59,717,000
*Total inc. colliery fuel	1,145,000	1,094,000	1,206,000	47,007,000	44,739,000	55,417,000
†Commercial production						
Beehive coke—						
United States total	157,700	154,200	154,400	6,464,000	5,352,900	5,581,300
By-product coke—						
United States Total	1,203,200	1,206,600	1,423,800	50,321,200	47,446,800	65,298,600

\*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						Oct. ave. 1923
	Oct. 17, 1942	Oct. 10, 1942	Oct. 18, 1941	Oct. 19, 1940	Oct. 16, 1937	Oct. 16, 1937	
Alabama	5	5	6	4	3		
Arkansas and Oklahoma	364	364	318	303	263	398	
Colorado	92	95	102	65	109	88	
Georgia and North Carolina	173	187	142	114	168	217	
Illinois	1	1	1	1	1		
Indiana	1,325	1,323	1,080	924	1,184	1,558	
Iowa	492	498	524	287	384	520	
Kansas and Missouri	50	45	68	52	88	116	
Kentucky—Eastern	171	173	153	127	162	161	
Kentucky—Western	950	943	976	695	873	764	
Maryland	304	302	201	145	190	238	
Michigan	32	33	37	24	32	35	
Montana (bituminous and lignite)	8	9	9	7	16	28	
New Mexico	100	114	75	64	77	82	
North and South Dakota (lignite)	36	36	25	21	37	58	
Ohio	75	65	53	70	74	**36	
Pennsylvania (bituminous)	695	705	674	363	558	817	
Tennessee	2,560	2,623	2,842	2,440	2,350	3,149	
Texas (bituminous and lignite)	150	140	151	93	115	118	
Utah	8	8	9	8	19	26	
Virginia	102	118	101	67	103	121	
Washington	410	400	430	261	331	231	
*West Virginia—Southern	44	48	37	33	44	68	
*West Virginia—Northern	2,190	2,180	2,367	1,677	1,965	1,488	
Wyoming	875	882	830	470	568	805	
†Other Western States	188	182	168	116	153	184	
	††	††	††	††	††	**4	
<b>Total bituminous and lignite</b>	<b>11,400</b>	<b>11,460</b>	<b>11,380</b>	<b>8,432</b>	<b>9,867</b>	<b>11,310</b>	
§Pennsylvania anthracite	1,140	1,159	1,279	850	1,218	1,968	
<b>Total all coal</b>	<b>12,540</b>	<b>12,619</b>	<b>12,659</b>	<b>9,282</b>	<b>11,085</b>	<b>13,278</b>	

\*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.

## Tax Inst. Sponsors Regional Round Tables

The Tax Institute of the University of Pennsylvania announces that it was sponsoring eight regional round tables designed to gain information on the nature and extent of State and local fiscal problems created by the war. The regional centers selected for the holding of the round tables are Seattle, Denver, Detroit, Dallas, Jacksonville, Knoxville, Philadelphia, and Boston.

Administration of the round tables is being carried out entirely by local leadership appointed by the Tax Institute. Outstanding civic leaders have been secured as chairmen, reporters, and steering committees in each region. The series of round tables will serve as a forerunner to the national symposium on "Wartime Problems of State and Local Finance," to be conducted by the Tax Institute at the Hotel Pennsylvania, New York City, Nov. 27-28.

Dr. Frederick L. Bird, Director of Municipal Research, Dun & Bradstreet, Inc., is chairman of the Program Committee for the symposium. Other members of the committee are William C. Beyer, Director, Philadelphia Bureau of Municipal Research; Harold S. Bittenheim, Editor, "The American City," and Chairman, Advisory Council, Tax Institute; Dixwell Pierce, Secretary, California State Board of Equalization; Mabel L. Walker, Director, Tax Institute; Alfred H. Williams, President, Federal Reserve Bank of Philadelphia, and Chairman, Administrative Board, Tax Institute.

## Insurance Benefits In Partial Unemployment

Milton O. Loysen, Executive Director of the New York State Division of Placement and Unemployment Insurance, announced on Oct. 23 that after weeks of preparation, the Division is now ready for the payment of unemployment insurance benefits for partial unemployment. These benefits become payable after Nov. 30 of this year. "Conferences have been held with employers and labor leaders in numerous industries and I believe that we have evolved a benefit payment structure that will prove to be simple and economical, yet effective," said Mr. Loysen. "

### Trading On New York Exchanges

The Securities and Exchange Commission made public on Oct. 30 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 Oct. 17, 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 Oct. 17 (in round-lot transactions) totaled 973,145 shares, which amount was 15.94% of total transactions on the Exchange of 3,051,970 shares. This compares with member trading during the previous week ended Oct. 10 of 1,670,745 shares, or 16.58% of total trading of 5,039,800 shares. On the New York Curb Exchange, member trading during the week ended Oct. 17 amounted to 158,495 shares, or 16.36% of the total volume of that Exchange of 484,275 shares; during the preceding week trading for the account of Curb members of 215,970 shares was 15.21% of total trading of 710,020 shares.

The Commission made available the following data for the week ended Oct. 17:

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	666
1. Reports showing transactions as specialists.....	171	86
2. Reports showing other transactions initiated on the floor.....	164	15
3. Reports showing other transactions initiated off the floor.....	187	64
4. Reports showing no transactions.....	541	540

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 OCT. 17, 1942

A. Total Round-Lot Sales:	Total for Week	†Per Cent
Short sales.....	62,650	
‡Other sales.....	2,989,320	
Total sales.....	3,051,970	
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.....	250,590	
Short sales.....	35,840	
‡Other sales.....	230,190	
Total sales.....	266,030	8.46
2. Other transactions initiated on the floor—		
Total purchases.....	152,540	
Short sales.....	8,300	
‡Other sales.....	132,400	
Total sales.....	140,700	4.80
3. Other transactions initiated off the floor—		
Total purchases.....	81,900	
Short sales.....	3,525	
‡Other sales.....	77,860	
Total sales.....	81,385	2.68
4. Total—		
Total purchases.....	485,030	
Short sales.....	47,665	
‡Other sales.....	440,450	
Total sales.....	488,115	15.94

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

WEEK ENDED OCT. 17, 1942

A. Total Round-Lot Sales:	Total for Week	†Per Cent
Short sales.....	5,740	
‡Other sales.....	478,535	
Total sales.....	484,275	
B. Round-Lot Transactions for the Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases.....	42,470	
Short sales.....	4,740	
‡Other sales.....	63,570	
Total sales.....	68,310	11.44
2. Other transactions initiated on the floor—		
Total purchases.....	6,120	
Short sales.....	400	
‡Other sales.....	12,675	
Total sales.....	13,075	1.98
3. Other transactions initiated off the floor—		
Total purchases.....	13,610	
Short sales.....	600	
‡Other sales.....	14,310	
Total sales.....	14,910	2.94
4. Total—		
Total purchases.....	62,200	
Short sales.....	5,740	
‡Other sales.....	90,555	
Total sales.....	96,295	16.36
C. Odd-Lot Transactions for the Account of Specialists—		
Customers' short sales.....	0	
‡Customers' other sales.....	21,715	
Total purchases.....	21,715	
Total sales.....	14,628	

\*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."

### Non-Ferrous Metals—Premium Quota Plan Up For Revision To Meet Higher Miners' Wages

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 Oct. 29, stated: "Director of Economic Stabilization Byrnes last week approved the higher wage rates to mine workers authorized by the National War Labor Board. To meet the higher costs of producing the major non-ferrous metals, the authorities in Washington have decided to review and liberalize the basic quotas under which premium prices are paid for copper, lead, and zinc by Metals Reserve Co. Existing ceiling prices for those metals will not be disturbed. The price of quicksilver advanced \$1 per flask under continued activity in nearby metal. Ceiling prices were named by OPA during the last week on ordinary domestic sales of metallurgical manganese ore." The publication further went on to say in part:

#### Copper

Some fabricators have obtained word from WPB on their November allocations, but real activity on next month's business will not take place until MRC decides on the tonnage that it will release covering that position.

#### Lead

Just what has happened to the revised lead conservation order that appeared ready for distribution a little more than a week ago is not known.

Buying of lead during the last week was in good volume, with consumers evidently acting on a more liberal inventory allowance granted earlier in the month by WPB.

#### Zinc

Zinc dust will come under strict allocation before long, the trade believes. Consumers of the common grades of zinc find restrictions on use of zinc products not essential for the war effort are cutting deeply into their regular lines of business, with the result that the producers of Prime Western are diverting more metal for stockpiling. The price situation in virgin metal remains unchanged. Scrap is lower.

#### Manganese Ore

Maximum price regulation (No. 248) was issued during the last week by OPA, establishing ceiling prices for metallurgical manganese ore sold in the domestic market. The effective date of the

order is Nov. 9. On 48% ore the following maximum prices per long ton unit of contained manganese, duty, if any, paid, will prevail: 85¢ f.o.b. railroad cars Mobile and New Orleans; 90¢ f.o.b. Norfolk, Baltimore, Philadelphia, and New York; 96¢ f.o.b. Fontana, Calif., Pueblo, Colo., and Provo, Utah.

Exempted from the regulations are sales or deliveries of manganese ore to the United States Government or its agencies, including the Metals Reserve Co. Sales or deliveries outside of the continental United States, covering ore bought f.o.b., a foreign mine or port, also are freed from the pricing regulations.

#### Cadmium

Sellers of primary and secondary cadmium have been granted permission by OPA to use adjustable pricing contracts, which provide for the upward revision of contract prices should the price ceiling be raised.

#### Tin

WPB lifted the restrictions on the use of chemically-treated black plate for containers.

The market situation in tin was unchanged, with business restricted to essential needs of consumers. Straits quality tin for forward shipment was nominally as follows:

	Oct.	Nov.	Dec.
Oct. 22.....	52,000	52,000	52,000
Oct. 23.....	52,000	52,000	52,000
Oct. 24.....	52,000	52,000	52,000
Oct. 26.....	52,000	52,000	52,000
Oct. 27.....	52,000	52,000	52,000
Oct. 28.....	52,000	52,000	52,000

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

#### Quicksilver

Demand for quicksilver continues fairly active and quotations in the New York market moved up on an average of \$1 per flask during the last week, bringing

prices a step nearer to the ceiling level established some time back by OPA. Quotations now range from \$196 to \$198 per flask on prompt and nearby metal.

#### Silver

The silver market in London has been quiet and steady on the basis of 23½d. The New York Official price continues at 44¾¢, with the Treasury's more or less nominal quotation unchanged at 35¢.

London's reaction to the price advance in silver posted in this country late in August is described by Mocatta & Goldsmid, British silver merchants, as follows:

"On Aug. 24 it was learned that the United States Government had announced that after Aug. 31 it would pay 45¢ for imported silver as against the previous price of 35¢. The fact that this made the London quotation the lowest ruling in the various silver markets caused industrial consumers to anticipate their needs to a certain extent, and also brought in a few other buyers whose requirements were difficult to fill owing to the very small amount of free silver coming on the market. It was soon realized, however, that with the various war-time restrictions in force, the latest movements in the United States were unlikely to have any effect on the price here, and by the end of September the market reverted to its normal war-time inactivity."

#### 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.

### Argentine-U. S. Ship Pact

Vice Admiral Francisco Stewart, President of the Argentine merchant fleet, said recently that he had successfully completed his mission in the United States with the negotiation of an agreement with United States shipping officials for use of United States ports by Government-owned Argentine merchant fleets and affecting cargoes to be carried.

No details of the agreement were disclosed since it is subject to approval of both governments before it becomes effective.

### Taxes Under New Revenue Act to be Paid by Single and Married Persons

While we expect to publish in full at a later date the complete text of the newly enacted revenue Act (the Revenue Act of 1942), we are making room here for the Treasury Department tables showing the amount of income tax, Victory tax, and combined tax required to be paid by individuals under the new law. The measure was placed on the statute books with its signing by President Roosevelt on Oct. 21, at 4:30 p.m. As was indicated in these columns Oct. 22, page 1441, final Congressional approval of the bill came on Oct. 20 when the Senate and the House adopted a conference report on the bill. The original House bill was passed on July 20 and the Senate version on Oct. 10. In our issue of Oct. 29, page 1550, it was noted that the Treasury is preparing for unprecedented tax collections under the new Act, under which, according to Treasury estimate, the new taxes will increase to approximately \$24,000,000,000, the annual yield of existing revenue measures expanded to help finance the war; the Treasury announcement also dealt with the various aspects of the new taxation affecting individuals. The Treasury's tabulations showing the amounts to be paid under the new law by single persons with no dependents, married persons with no dependents, and married persons with two dependents, follow:

#### Amount of Individual Income Tax, Victory Tax, and Combined Tax Under the Revenue Act of 1942

Net Income	—Single Person (No Dependents)—			—Married Person (No Dependents)—			—Married Person (2 Dependents)—			
	Amount of Tax			Amount of Tax			Amount of Tax			
	Before Personal Exemp.	*Individual Inc. Tax	†Victory Tax After Post-War Credit	Combined Tax	*Individual Inc. Tax	†Victory Tax After Post-War Credit	Combined Tax	*Individual Inc. Tax	†Victory Tax After Post-War Credit	Combined Tax
\$500										
600	\$15	\$2	\$17		\$1	\$1		\$1	\$1	
700	34	6	40		5	5		4	4	
800	52	10	62		8	8		7	7	
900	71	14	85		11	11		11	11	
1,000	89	18	107		15	15		14	14	
1,200	126	27	153		21	21		20	20	
1,500	181	39	220		48	31		29	29	
1,800	236	52	288		103	41		39	39	
2,000	273	60	333		140	48		45	58	
2,500	365	81	446		232	65		60	159	
3,000	472	102	574		324	81		76	267	
4,000	688	143	829		532	115		107	485	
5,000	920	185	1,105		746	148		138	730	
6,000	1,174	227	1,401		992	181		169	979	
8,000	1,742	310	2,052		1,532	248		231	1,553	
10,000	2,390	393	2,783		2,152	315		294	2,208	
15,000	4,366	602	4,968		4,052	481		449	4,207	
20,000	6,818	810	7,626		6,452	648		605	6,693	
25,000	9,626	1,018	10,644		9,220	815		760	9,574	
50,000	25,811	2,247	28,058		25,328	1,747		1,547	26,392	
100,000	64,641	5,024	69,665		64,060	4,524		4,324	67,803	
500,000	414,616	27,247	441,863		414,000	26,747		26,547	439,931	
1,000,000	854,616	144,884	999,500		854,000	145,000		145,416	1,000,000	
5,000,000	4,374,616	1,124,884	5,499,500		4,374,000	1,125,000		1,125,416	5,498,800	

\*Maximum earned net income assumed. †Computed by assuming that deductions are 10% of Victory tax net income; i.e., that Victory tax net income is ten-ninths of statutory net income shown in stub. ‡Taking into account maximum effective rate limitation of 90%.

### Revenue Freight Car Loadings During Week Ended Oct. 24, 1942 Totaled 903,246 Cars

Loading of revenue freight for the week ended Oct. 24, totaled 903,246 cars, the Association of American Railroads announced on Oct. 29. This was a decrease below the corresponding week in 1941, of 10,359 cars or 1.1%, but an increase above the same week in 1940, of 65,589 cars or 7.8%.

Loading of revenue freight for the week of Oct. 24 increased 2,479 cars or 0.3% above the preceding week.

Miscellaneous freight loading totaled 432,500 cars, an increase of 324 cars above the preceding week, and an increase of 26,916 cars above the corresponding week in 1941.

Loading of merchandise less than carload lot freight totaled 92,188 cars, an increase of 1,226 cars above the preceding week, but a decrease of 67,640 cars below the corresponding week in 1941.

Coal loading amounted to 167,257 cars, an increase of 3,044 cars above the preceding week, and an increase of 2,029 cars above the corresponding week in 1941.

Grain and grain products loading totaled 47,665 cars, a decrease of 2,796 cars below the preceding week, but an increase of 12,582 cars above the corresponding week in 1941. In the Western Districts alone, grain and grain products loading for the week of Oct. 24 totaled 30,120 cars, a decrease of 2,465 cars below the preceding week, but an increase of 9,134 cars above the corresponding week in 1941.

Livestock loading amounted to 24,361 cars, a decrease of 116 cars below the preceding week, but an increase of 3,983 cars above the corresponding week in 1941. In the Western Districts alone, loading of livestock for the week of Oct. 24, totaled 19,955 cars, a decrease of 209 cars below the preceding week, but an increase of 3,322 cars above the corresponding week in 1941.

Forest products loading totaled 49,211 cars, an increase of 741 cars above the preceding week and an increase of 3,294 cars above the corresponding week in 1941.

Ore loading amounted to 76,075 cars, an increase of 268 cars above the preceding week, and an increase of 7,620 cars above the corresponding week in 1941.

Coke loading amounted to 13,989 cars, a decrease of 212 cars below the preceding week, but an increase of 857 cars above the corresponding week in 1941.

All districts reported increases compared with the corresponding week in 1941, except the Eastern, Allegheny and Pocahontas, and all districts reported increases compared with the corresponding week of 1940 except the Eastern.

	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
Four weeks of August	4,350,948	4,463,372	3,717,933
Four weeks of September	3,503,658	3,540,210	3,135,122
Week of Oct. 3	907,607	917,896	806,004
Week of Oct. 10	909,957	903,877	811,906
Week of Oct. 17	900,767	922,884	813,909
Week of Oct. 24	903,246	913,605	837,657
Total	35,857,756	34,926,011	29,859,516

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Oct. 24, 1942. During this period only 60 roads showed increases when compared with the corresponding week last year.

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1942	1941	1940	1942	1941	1940
<b>Eastern District—</b>						
Ann Arbor	367	656	750	1,227	1,585	
Bangor & Aroostock	1,754	1,646	1,065	200	315	
Boston & Maine	6,621	8,908	8,165	15,455	13,898	
Chicago, Indianapolis & Louisville	1,490	1,739	1,553	2,075	2,557	
Central Indiana	49	38	20	45	52	
Central Vermont	1,002	1,479	1,332	2,248	2,883	
Delaware & Hudson	6,399	6,977	7,318	10,625	11,433	
Delaware, Lackawanna & Western	7,451	9,203	10,314	11,561	8,686	
Detroit & Mackinac	564	487	649	224	147	
Detroit, Toledo & Ironton	1,831	2,467	2,670	1,170	1,204	
Detroit & Toledo Shore Line	371	368	486	3,061	4,116	
Erie	12,410	16,511	14,544	16,948	16,499	
Grand Trunk Western	4,739	5,947	5,826	7,958	9,455	
Lehigh & Hudson River	225	182	158	2,883	2,768	
Lehigh & New England	2,237	3,180	2,450	1,728	1,829	
Lehigh Valley	9,179	10,351	10,307	12,674	10,060	
Maine Central	2,346	3,245	2,854	3,342	3,136	
Monongahela	5,968	6,665	3,890	354	415	
Montour	2,317	2,546	1,884	19	64	
New York Central Lines	50,235	55,013	48,271	58,184	51,956	
N. Y., N. H. & Hartford	9,967	13,282	11,258	18,881	16,726	
New York, Ontario & Western	950	1,235	1,259	2,576	2,276	
New York, Chicago & St. Louis	7,973	7,348	7,032	15,719	14,570	
N. Y., Susquehanna & Western	382	491	418	1,846	1,835	
Pittsburgh & Lake Erie	7,915	8,926	8,112	8,783	8,620	
Pere Marquette	6,239	7,044	7,065	7,548	6,651	
Pittsburgh & Shawmut	792	760	601	11	23	
Pittsburgh, Shawmut & North	463	435	482	280	313	
Pittsburgh & West Virginia	1,040	1,155	789	3,283	2,299	
Rutland	371	618	664	997	1,255	
Wabash	6,381	6,362	6,310	14,114	11,439	
Wheeling & Lake Erie	5,139	5,473	5,022	4,714	4,608	
Total	165,167	189,727	173,518	230,733	213,318	
<b>Allegheny District—</b>						
Akron, Canton & Youngstown	781	746	572	1,070	1,135	
Baltimore & Ohio	40,255	42,163	35,543	30,262	24,738	
Bessemer & Lake Erie	6,755	5,279	6,639	2,410	1,968	
Buffalo Creek & Gauley	345	303	278	3	5	
Cambria & Indiana	1,858	1,888	1,613	8	17	
Central R. of New Jersey	7,801	8,060	8,033	20,212	16,679	
Cornwall	690	720	661	41	43	
Cumberland & Pennsylvania	230	268	262	8	30	
Ligonier Valley	136	137	140	39	61	
Long Island	1,416	895	1,006	3,572	2,909	
Penn-Reading Seashore Lines	2,000	1,830	1,468	1,882	2,096	
Pennsylvania System	84,796	91,249	72,240	73,568	60,630	
Reading Co.	14,345	18,818	17,061	31,263	23,486	
Union (Pittsburgh)	21,013	19,952	18,980	7,805	6,056	
Western Maryland	3,739	4,362	3,782	13,663	9,925	
Total	186,160	196,790	168,478	185,804	149,778	
<b>Pocahontas District—</b>						
Chesapeake & Ohio	27,496	29,867	23,843	13,634	14,256	
Norfolk & Western	22,255	25,020	21,234	7,998	6,702	
Virginian	4,717	4,536	4,065	2,404	1,974	
Total	54,468	59,423	49,142	24,036	22,932	

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1942	1941	1940	1942	1941	1940
<b>Southern District—</b>						
Alabama, Tennessee & Northern	362	454	297	402	213	
Atl. & W. P.—W. R. R. of Ala.	814	853	821	2,266	2,226	
Atlanta, Birmingham & Coast	778	775	733	1,307	1,324	
Atlantic Coast Line	11,248	10,816	10,548	11,232	7,382	
Central of Georgia	4,479	4,740	4,500	5,222	4,321	
Charleston & Western Carolina	428	476	470	1,590	1,577	
Clinchfield	1,809	1,662	1,313	2,965	2,959	
Columbus & Greenville	481	401	410	305	471	
Durham & Southern	119	194	200	502	421	
Florida East Coast	785	449	698	1,172	993	
Gainesville Midland	40	37	30	100	104	
Georgia	1,439	1,591	1,270	2,933	2,571	
Georgia & Florida	331	545	322	480	754	
Gulf, Mobile & Ohio	4,485	4,225	4,140	5,636	3,439	
Illinois Central System	32,044	28,467	25,950	17,914	15,386	
Louisville & Nashville	25,879	26,591	23,198	11,767	8,947	
Macon, Dublin & Savannah	218	242	136	795	690	
Mississippi Central	220	199	161	483	414	
Nashville, Chattanooga & St. L.	3,732	3,939	3,565	5,079	3,846	
Norfolk Southern	1,255	1,218	1,299	1,669	1,339	
Piedmont Northern	311	510	395	1,333	1,771	
Richmond, Fred. & Potomac	780	430	401	10,149	5,888	
Seaboard Air Line	10,667	10,106	10,199	9,105	7,414	
Southern System	23,981	24,942	23,871	25,600	21,104	
Tennessee Central	511	553	519	1,089	655	
Winston-Salem Southbound	106	160	164	1,084	1,080	
Total	127,362	124,575	115,630	122,763	97,259	
<b>Northwestern District—</b>						
Chicago & North Western	21,735	21,646	22,879	15,767	13,852	
Chicago Great Western	2,496	2,918	2,934	3,516	3,534	
Chicago, Milw., St. P. & Pac.	22,903	23,480	22,554	11,662	9,541	
Chicago, St. Paul, Minn. & Omaha	3,611	3,757	3,968	4,454	4,700	
Duluth, Missabe & Iron Range	23,057	23,415	22,252	426	313	
Duluth, South Shore & Atlantic	1,611	1,207	1,078	738	522	
Elgin, Joliet & Eastern	10,244	10,468	9,557	11,312	9,823	
Ft. Dodge, Des Moines & South	569	595	641	147	166	
Great Northern	25,245	25,689	22,718	5,898	4,375	
Green Bay & Western	578	641	788	820	710	
Lake Superior & Ishpeming	3,053	2,414	3,515	54	84	
Minneapolis & St. Louis	2,299	1,994	2,401	2,855	2,510	
Minn., St. Paul & S. S. M.	7,425	7,929	7,461	3,625	3,190	
Northern Pacific	13,920	14,701	12,482	5,689	4,772	
Spokane International	259	229	304	578	309	
Spokane, Portland & Seattle	2,534	2,604	1,996	3,533	2,394	
Total	145,749	143,587	137,528	71,274	60,795	
<b>Central Western District—</b>						
Atch., Top. & Santa Fe System	24,463	23,702	23,989	13,502	9,385	
Alton	3,763	3,318	3,258	4,927	2,964	
Bingham & Garfield	523	981	430	131	87	
Chicago, Burlington & Quincy	22,612	19,782	19,426	14,066	12,197	
Chicago & Illinois Midland	2,585	2,685	2,330	1,104	859	
Chicago, Rock Island & Pacific	13,575	13,463	14,014	13,327	11,329	
Chicago & Eastern Illinois	2,951	3,086	2,718	4,839	3,092	
Colorado & Southern	1,511	1,374	1,553	1,930	2,185	
Denver & Rio Grande Western	5,541	4,719	5,581	6,951	4,654	
Denver & Salt Lake	927	687	529	27	20	
Fort Worth & Denver City	1,481	1,235	1,526	1,824	1,260	
Illinois Terminal	2,022	2,049	1,957	2,432	2,092	
Missouri-Illinois	1,362	1,022	1,083	704	469	
Nevada Northern Pacific	2,146	1,842	1,904	95	104	
North Western Pacific	1,165	1,164	836	718	520	
Peoria & Pekin Union	27	14	19	0	0	
Southern Pacific (Pacific)	34,043	31,402	28,504	12,056	8,369	
Toledo, Peoria & Western	435	349	449	1,694	1,743	
Union Pacific System	22,536	22,684	22,095	17,814	13,654	
Utah	571	497	436	2	10	
Western Pacific	2,350	2,011	1,811	5,155	3,310	
Total	146,589	138,066	134,448	103,298	78,312	
<b>Southwestern District—</b>						
Burlington-Rock Island	177	192	155	308	311	
Gulf Coast Lines	5,189	3,459	2,984	2,475	1,860	
International-Great Northern	3,416	1,913	1,962	2,791	2,354	
Kansas, Oklahoma & Gulf	486	233				

## Items About Banks, Trust Companies

The Central Hanover Quarter Century Club held its second annual dinner at the Hotel Commodore Oct. 29, with 200 members present. Each of 36 new members of the club who had completed 25 years of active service on the bank's staff during the past 12 months was presented with a \$100 War Savings Bond by William S. Gray, Jr., President of Central Hanover Bank & Trust Co. Senator Wm. Warren Barbour and Johnston deForest, trustees of the bank, were also welcomed to the Quarter Century Club as honorary members. Among the honorary members present at the dinner was Henry M. Popham, a Vice-President of the bank when he retired in 1930. Mr. Popham joined the staff of the Union Trust Company 62 years ago. Michael J. Cullen, Assistant Treasurer of the bank with 35 years' service, is the newly elected President of the club, succeeding H. T. Magruder.

Following the meeting of the Board of Trustees of The New York Trust Company on Oct. 27, John E. Bierwirth, President, announced the appointments of Alfred S. Olmstead and Harvey A. Basham, Jr., as Assistant Treasurers. Mr. Basham was formerly Assistant Secretary.

The Marine Midland Trust Company of New York announced Nov. 2 that S. Sargeant Volck has been elected Vice-President of the company. Mr. Volck has had long and varied experience in the field of commercial banking. He was a partner in the commercial paper house of Hathaway & Co. for many years, and later became Senior Vice-President and Director of the Nassau National Bank of Brooklyn. In 1929 Mr. Volck was elected President of the Broadway National Bank & Trust Co. and retained his presidency through several mergers which resulted in the formation of the Colonial Trust Company. Following this, Mr. Volck became President of the Colonial Safe Deposit Company. Among other activities, he was an organizer, Vice-President and director of the Heathcote Trust Company in his home town of Scarsdale, N. Y.

Francis H. Moffett, former President of the Metropolitan Savings Bank, New York City, and a trustee of the Manhattan Savings Institution, died on Oct. 23 in Gotham Hospital after a short illness. He was 74 years old. A native of Manhattan, Mr. Moffett had been associated with the Metropolitan Savings Bank for more than 25 years. He retired as its head last May, when the bank was consolidated with the Manhattan Savings Institution.

The defunct Bank of the United States, New York City, shortly will pay a dividend of 2½% to its creditors and depositors, bringing total liquidating disbursements to 75%, or a dollar value of \$102,963,498, according to an announcement made by William R. White, New York State Superintendent of Banks. The forthcoming dividend, which will be the eighth disbursement declared in the course of the liquidation, is expected to be followed by a ninth and final dividend "as early as practicable next year," the announcement said.

When the Bank of The United States closed in December, 1930, it had 59 branches and some 413,000 depositors, with deposits and other liabilities aggregating \$188,000,000. The preceding dividend payment was made in November, 1938 (referred to in these columns of Dec. 3, 1938, page 3397).

The National Bank of Auburn, Auburn, N. Y., is observing the 125th anniversary of its founding. When the bank opened for business on Aug. 17, 1817, it was known as the Bank of Auburn, but this was changed to the National Bank of Auburn when national banks were instituted in 1865. The bank is one of the 70 oldest financial institutions in the United States and the 12th oldest in New York State. In its century and a quarter of service, the bank has had but 13 presidents and eight cashiers who have guided its financial course. Frederic E. Worden is now President, and William G. Barnett, Jr., is Cashier, both having assumed their positions in 1937.

The Federal Reserve Bank of Boston announces that the Granite Trust, Quincy, Mass., has been admitted to membership in the Federal Reserve System, effective Oct. 23.

The following are the officers of the Granite Trust:

Chairman of the Board, Deleware King; President, William J. Martin; Vice-President and Trust Officer, Irving L. Shaw; Vice-Presidents, Matthew Cushing and Loy J. Bowen; Assistant Vice-President, Philip K. Barker; Treasurer, William W. Grieves; Assistant Treasurers, Henry P. Hayward, Philip H. Martin, William W. Smith and Roger D. Hawkes; Assistant Trust Officer, Avery P. Currier; Auditor, Harry E. Finley.

President Martin said that membership in the Federal Reserve System had been seriously considered for some time but particularly since the company absorbed the Weymouth Trust Co. In the 18 months since the merger took place the Granite Trust Co.'s deposits have increased from approximately \$14,700,000 to over \$20,000,000. Mr. Martin pointed out that over 78% of the deposits with the Granite Trust Co. are held in cash or invested in U. S. Government bonds.

Raymond B. Cox, President of the Webster and Atlas National Bank of Boston, announced on Oct. 27 the purchase of the goodwill and assets of the Morris Plan Banking Co. of Boston. F. Earl Wallace, President of the Morris Plan, becomes a Vice-President of Webster and Atlas and a number of officers and employees of that company will also become associated with the bank.

The following regarding the combination is from the Boston "Herald" of Oct. 28:

"The Morris Plan Banking Company of Boston, with headquarters at 209 Washington Street and branches at Park Square, Boston, Roxbury and Cambridge, was established May 16, 1916, and since that time has extended its services to over 300,000 persons. These services embodied various types of loan and deposit plans to individuals, small businesses and at times to large corporations.

"The Webster and Atlas was founded 109 years ago. As a strong independent bank it has rendered complete banking service to individuals and business concerns over a wide area. In acquiring the business of The Morris Plan the bank is supplementing its many other facilities by extending its Personal Loan service to people of Greater Boston on a far broader scale.

"As of Dec. 31, 1941, Webster and Atlas showed deposits of \$21,604,567, loans and investments of \$12,819,522 and total resources of \$23,676,413. The Morris Plan Banking Company of Boston, as of the same date, showed loans and investments of \$2,645,340, deposits of \$2,243,329 and total resources of \$2,989,046."

The appointment of Jacob Kraus, Jr., as Vice-President of the Central Home Trust Co., Elizabeth, N. J., was announced on Oct. 22 by Nathan Leazitt, President of the bank. Mr. Kraus was formerly Vice-President of the Trust Co. of New Jersey, Jersey City, in charge of the Union City branch.

Irwin Fisher, former Assistant Vice-President of the First National Bank of Philadelphia, died on Oct. 28 at his home in Norristown, Pa. He was 77 years old. A native of Norristown, Mr. Fisher was connected for 55 years with Philadelphia banks, for the greater part of that time with the Centennial National Bank until its absorption by the First National Bank.

The following banks were recently admitted to membership in the Federal Reserve System, according to an announcement by the System's Board of Governors:

Seventh (Chicago) District—Industrial State Bank of Kalamazoo, Kalamazoo, Mich., and Farmers State Bank of Buffalo, Buffalo, Ill.

Tenth (Kansas City) District—Stockmen's Bank, Gillette, Wyo.

Twelfth (San Francisco) District—The Glenn's Ferry Bank, Limited, Glenn's Ferry, Idaho.

## Curb Of "C" Rations Tightened—List Cut

The Office of Price Administration on Oct. 26 announced that eligibility for "C" rations of gasoline will be generally tightened under nationwide mileage rationing which goes into effect Nov. 22. The announcement further adds in part:

No ration for occupational driving will be allowed unless the applicant establishes either that he has formed a ride-sharing arrangement with at least three other persons, or that this is not feasible and that no reasonably adequate alternative means of transportation are available. Even where a ride sharing arrangement is shown, however, no supplemental ration will be issued where the area over which the Board has jurisdiction is found to be adequately served by subway, elevated or railroad commutations service and these facilities are reasonably adequate for the applicant's purposes. In any event, no more than 470 miles of occupational driving per month will be allowed unless the applicant is within one of twenty preferred mileage classifications.

While the present Eastern gasoline rationing plan lists only 14 groups of preferred users, the eligibility field has been narrowed in several instances, and broadened in only a few minor categories. The increase in the number of eligible groups has resulted, for the most part, from splitting present groups for purposes of clarification, OPA officials explained.

One notable example of the tightening of eligibility is the elimination of all types of salesmen from the preferred mileage class. In the Eastern plan, while most travelling salesmen were barred from preferred mileage, certain men engaged in the sale of productive equipment held necessary to the war effort were allowed "C" status.

Under the nationwide mileage rationing plan, "C" rations may be issued to certain maintenance and repair men, provided that "transportation is not sought for purposes of selling, merchandising, or promoting."

A provision in the Eastern plan for giving preferred mileage to photographers for transporting their non-portable equipment has been narrowed to provide only for "the transportation of non-portable equipment used in making newsreels..."

The eligibility base was broad-

## Favors Giving N. Y. Savings Banks Power To Lend On FHA Mortgages Anywhere In U. S.

"First among the dangers confronting us is the possibility of a truly inflationary price rise and a consequent deterioration of the purchasing power of the dollar," said Henry Bruere, President of the Savings Banks Association of the State of New York, in addressing the organization with the opening of its annual meeting in New York at the Waldorf-Astoria Hotel on Oct. 27. Mr. Bruere, who is President of the Bowery Savings Bank, went on to say that "fortunately, the efforts of the government and the common sense of the people thus far have combined to place restraint on the price level. The public is not behaving fantastically as a result of its increased spending power. Those with increased incomes can't spend for America's favorite objects of personal expenditure—new cars and more mileage of cars already owned."

He added: "They are not tempted to be flamboyant in making personal expenditures because, on the whole, the country is in a very sober mood. They are, as a matter of fact, saving. It is a fine achievement that 18 or 20 million American working men and women are now buying war bonds regularly through allotments of their weekly or monthly pay. The rate of this buying is accelerating and will increase. We are told that debts are being paid off rapidly, and we know that savings in the old channels are beginning to increase, in addition to war bond sales."

Mr. Bruere pointed out that "the need for thrift in this country, not merely to avoid spending but to prepare for the future, is greater than ever before. Therefore perhaps the most important thing we can do is to continue and to improve our educational work urging the public, especially the new wage earning public, to save." "It is not important in the larger sense," said Mr. Bruere "whether these savings come into our institutions in great volume or not. If they go into Government bonds directly, that is fine, and we are prepared to help this process in every way. But as they overflow into our institutions, and they now do and doubtless will continue to do, we shall have all the more opportunity to develop thousands of new steady savers to add firmness and stability to the economic structure of our American society."

Calling attention to the leading part the savings banks have taken in providing housing for war workers, Mr. Bruere said: "The savings banks, during the first nine months of 1942, made 45% of all the FHA insured loans for war housing in New York State, a total of 2,654 loans. These loans amount to \$12,190,897 and are 42% of the total volume of the FHA loans. In addition, as of September 30th, the savings banks of the State had outstanding commitments to make or purchase war housing loans in the amount of \$17,242,095."

Mr. Bruere noted that through its wholly-owned company, the Institutional Securities Corporation, the savings banks have been active in helping to provide war housing in other states. "As of September 30th, Institutional either held loans or had commitments for such loans in excess of \$4,600,000," he said. He urged the savings banks to find some practical way to pool their re-

sources "in this business of mortgage lending for our common good and for the good of the State and the nation." and said "we should not miss the opportunity to keep home building as much as possible in the field of our activities and away from mass provision by government agencies."

While withholding "any predictions regarding the shape of things after the war," Mr. Bruere observed that "our cities will continue to need heroic attention as they have for the past decade or more," adding, "Cannot savings banks help in some positive way to influence the future development of the important cities in this State?"

Continuing Mr. Bruere said: "Some years ago I proposed the organization of a mortgage conference in New York to bring about cooperation between rival lending agencies. That conference has been of use, especially in supplying helpful statistical information. An agency was organized by the savings banks of Brooklyn and Queens specifically to study and review the mortgage and real estate problems of the savings banks of that area. The work done by that agency has been of the greatest use."

"Now the time has come to build on these pioneer efforts and to construct a scientific research agency to study real estate and mortgage problems throughout the State. We shall have to be ready to look beyond the State for suitable mortgage loans as time goes on and as we find new thriving communities developing as a result of new industries and shifts in population that already the war has set on foot. I hope that we shall not let this opportunity escape us. I favor asking the Legislature at the coming session to give the savings banks of the State power to lend on FHA insured mortgages anywhere in the United States. A research agency would help in finding suitable loans."

The contents of this edition will include articles on: "How Inflation Arises," "Price Fixing and Rationing," "Psychological Preparation of Price Fixing," "The Consumer Facing Inflation," "Taxation," "Saving," "Government Publicity," and "After the War."

The cost of this book, which will contain 222 pages, will be \$2.50.

## The Business Man's Bookshelf

"War Without Inflation" The Psychological Approach to Problems of War Economy, by George Katona, author of "Organizing and Memorizing," will be published on Nov. 16, 1942, by the Columbia University Press, Morningside Heights, New York.

This book shows how the psychological preparation of anti-inflationary measures should proceed and discusses what was psychologically well done and what not so well done in the past year. It presents the frame of reference which will enable a great many people to understand the requirements of the economic situation in total war and from which will flow expectations that will guide their conduct.

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