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## Internal Revenue Bureau Outlines Procedure For Liquidating Corporation As War Loss

Commissioner of Internal Revenue Guy T. Helvering on Dec. 24 called attention to the fact that the Revenue Act of 1942 allows a taxpayer owning at least half the stock of a corporation which has suffered substantial war losses to treat a portion of his loss upon the liquidation of such corporation as a war loss. The advices from the Bureau of Internal Revenue further stated:

"Many inquiries have been received by the Bureau with respect to corporations which will not be able to comply with certain technicalities incident to any such liquidation. For example, a corporation chartered by the Netherlands Government may be required to hold its shareholders' meeting in Amsterdam. Unable to comply with this requirement, it holds a shareholders' meeting in New York, at which liquidation is voted. For this reason the Commissioner issued the following announcement describing the procedure in such cases:

"Under section 127 (e) of the Internal Revenue Code, as amended by section 156 of the Revenue Act of 1942, a shareholder's loss upon the complete liquidation of a corporation which sustained substantial war losses, as described in that section, is deemed to the extent attributable to such war losses of the corporation to be a war loss to the shareholder, provided that such shareholder owns at least 50% of each class of stock of the corporation. Section 127 (e) (1) provides that the corporation must completely liquidate by distributing all the assets which it is able to distribute and all its rights to assets which it is not able to distribute, including the right to the recovery of the property described

in subsection (a) (1) and (2) of section 127.

"In the case of each taxpayer claiming a loss under section 127 (e), the Bureau will consider the validity of the liquidation on the basis of whether the corporation had undertaken in a bona fide manner to comply as fully as possible with all provisions of law applicable to such corporation. In such cases the Bureau will not question the absence of any formalities with which the corporation was not reasonably able to comply. The Bureau will not disallow the loss on account of the liquidation subsequently being declared invalid (1) if the taxpayer determines to consider such liquidation valid for all purposes, including the treatment as a recovery by him for the purposes of section 127 (c) of any recovery with respect to the assets and rights to assets distributed to him; and (2) if such determination is evidenced by a statement accompanying the return, as part thereof, in which the taxpayer not only states his determination but also waives the benefits of any period of limitation which would prevent the adjustment of his tax liability on account of the invalidity of the liquidation at any time at which the taxpayer should contend that the liquidation was invalid."

## FROM WASHINGTON AHEAD OF THE NEWS

By CARLISLE BARGERON

The Wagner Act, widely advertised over these many New Deal years, as Labor's Magna Charter, is likely in for an overhauling at this new session of Congress. This would seem to be the inevitable outcome of the ruckus stirred up between the NLRB and the CIO on the one hand and the AFOL, on the other, in the Kaiser shipbuilding case. Neither labor organization wants the act opened up. The situation is that the CIO has profited from it at the expense of the AFOL, but the majority of the latter's high leadership are afraid that if it is opened up, its so-called good points would be destroyed along with the bad.

When the full implications of the Board's recently adopted policy become known, however, it is quite possible that both the CIO and the AFOL will be on the warpath, and would not offer as much resistance to an overhauling of the Act itself as they have in the past.

In the Kaiser dispute, probably the most serious spot on the war production horizon today—a dispute brought about by the Board's challenging the validity of the contracts which the shipbuilder has with the AFOL—it has been a case so far of the Board's going out of its way, seemingly, to aid the CIO in raiding the AFOL. But now, both CIO and AFOL are learning that the Board is contending that no contract entered into between an employer and an employees' organization is valid without the approval of the Board. It is contending that no employer may negotiate with a union until that union has been certified as the rightful bargaining agency, and furthermore, that no employer may enter into labor

negotiations until he has employed at least 50% of those he intends to employ.

Thus another problem has been posed for the employer. Long before the New Deal came along, there were many employers who solved their labor problems by going along with the union from the beginning. If they were opening up a plant they went to the union at the outset and asked for so many machinists, so many boilermakers, so many electricians, etc. In this way they were able to calculate their labor costs.

This is apparently the policy Kaiser has pursued ever since his ramified engineering operations brought him to the need of skilled labor. His attitude has apparently been that he didn't want to have any labor uncertainties: sign up, right off the reel, know where he stood, and figure his costs accordingly. Members of the Board have been contending that he can't do this any longer. At least one of them has said that in his shipbuilding operations this calculating of costs should be of no particular concern to him as the Government pays the freight. Kaiser's lawyers have contended that it was utterly impossible for him to wait until he had a 50%

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## THE FINANCIAL SITUATION

From the day-dreaming Vice-President to the ordinarily much more practical-minded Secretary of State, men in both public and private life have got into the habit of drawing strange conclusions from the full employment that the war effort has brought forth. The rank and file will, we are repeatedly told, see in this "achievement" an indication of what can be done by united effort, and demand that as much be provided in the years which follow the war. The Secretary of State, while of the opinion that the needs of peace should be no less compelling than those of war, has the understanding at least to add that the means of meeting them may be different, but many of those who are constantly harping upon the "absolute necessity" of full employment after the war are apparently not inclined to place a great deal of emphasis upon the means to the end. Others, particularly perhaps certain groups in the business community who apparently fear an abrupt end to our way of life if unemployment in substantial amount reappears after the cessation of hostilities, are quite vague as to how full employment is to be provided.

### The Question

In the minds of thoughtful observers this current discussion of employment after the war raises a question which lies at the root of our post-war fate. It is this: Will submission to the multiplicity of controls and restrictions of the war years—added as they are to a great many which had found their way into our life prior to our entry into the war—become a fixed habit on part of the rank and file? Will they presently become reconciled to an existence in perpetuity of regimented dependence upon government? Will they be content henceforth to wait like cattle to be fed? Or will the hardships, the bungling, the annoyances of the war years give them their fill of having a fatherly national government tell them what they must and what they must not do? Will they find themselves presently with less faith in their government than they have in themselves? Will events of the war years engender a determination to return to the traditional American system under which not government but the individual himself assumes responsibility for his own welfare?

Find a clear answer to this question, and you will have a vivid picture of what the post-war situation will develop in this country. If the millions of soldiers and sailors (Continued on page 66)

## Mechanisms?

*The dream of Woodrow Wilson failed not only because of the refusal of Americans to shoulder certain international duties but also because the Allied nations, while they fought, had not developed a mechanism of working together that would survive after the fighting was over. Successful instruments of either national or international government are the result of growth. They cannot be created in a day. Nor is there much hope of their being created amid the reawakened nationalistic impulses, the self-seeking, the moral degenerations and the economic and social dislocations that are always incident to a post-war period. They must be created now while we fight. They must be made workable and smooth running under the emery of day-to-day effort in the solution of common problems.—Wendell L. Willkie.*

Can Mr. Willkie suppose that a new heaven and a new earth can be created by any sort of "mechanism"?

Not only Mr. Willkie but many others have appeared of late to suppose something of the sort.

Great and bitter disappointment is in store for all those who insist upon looking at world problems through such strange lenses.

## THE FINANCIAL SITUATION

(Continued from first page)

returning to private life and the other millions of war workers released from machines making planes, guns, tanks and the rest of the paraphernalia of war, start out upon the assumption that it is incumbent upon government to provide them with work, and otherwise to care for them through the years to come, we must, of course, expect government to respond with a torrent of crack-pot programs which can not fail ultimately to send the country and all of us in it into bankruptcy and ruin. If, on the other hand, war experience has led the people to prefer to work out their own salvation, indeed convinced them that they must take their destinies into their own hands if they are to make definite and lasting headway in this world, then there should be no trouble in putting government in its place and starting out to rebuild a shattered world and the fortunes of us all.

### Beyond Government

If the war does not teach us this fundamental lesson it will be useless to expect better things in the years which must elapse until we do learn it. Whatever we may have been able to do in the way of "providing employment" during the war when "distribution" goods manufactured was guaranteed in advance, when millions of men were required for wholly non-productive work, and when perforce the nation was driving itself to the verge of bankruptcy to save itself from a worse fate, no government on earth, least of all the type of government common in this country, could rationally hope for a moment to be able so to order the peace time course of economic affairs that we should all obtain a more abundant life—indeed to order it so that we should escape disaster. After all, the goal of business enterprise is not to "give employment"—else the task would be simple indeed—but to produce an abundance of the goods and services which the rank and file of the people want and are willing to work (pay) for.

Once, however, we as a people have made up our mind to take our business affairs into our own hands, the situation becomes wholly different. Then the ordinary, familiar natural economic forces again come into full play. Then the task of each business man will be not to concoct some over-all panacea or to endeavor to find some new and strange magic by which to make the wheels of industry whir, but to get to work as quickly as may be to satisfy the wants he knows exist all about him, and to do so in a way that will yield him a profit. Then it becomes the task of each employee, or would-be employee, not to send emissaries to Washington seeking help, but to put his shoulder to the wheel and start the machinery of production moving. When attention is centered upon these matters, and effort is made in good faith, the apparent need of panaceas will quickly disappear—and we shall once again be on the road to prosperity and abiding economic improvement.

### Difficulties Surmountable

The war must, of necessity, leave us and the rest of the world with problems aplenty. Many of them will be difficult. The road back to normal living will not be easy. There will, however, be no impediment to progress which hard, consistent and intelligent work in the offices and at the benches of industry will not solve in time. There will be few, if any, which will really yield to any other type of treatment, certainly not any other type of treatment which is not accompanied by hard, earnest, efficient work on the part of every one in the land. That work, moreover, must be directed to the production of goods and services which have tangible worth, not to the output of all sorts of boondoggles which have little or no value to any one.

It is the apparent absence of realization of these simple truths in the post-war planning now being done in so many quarters which is most disturbing to us. In these programs and suggestions the assumption usually appears to be either (1) that the end and aim of industry is to give employment, or (2) that the rise of unemployment after the war would result in destruction of our economic and social system by violence or the equivalent of it. The type of post-war planning that we need is planning by business of its own post-war affairs. Of course, it is true that much difficulty attends this kind of planning at the moment, since no one can say when the war will end or what the conditions will be when it does end. It is likewise true that this sort of planning is not likely to find reflection in the press or in public addresses. Some of it is proceeding. Its volume appears to be increasing and doubtless will continue to increase.

### Let Us Have More Of It

We must have more of it. It is the only kind of planning which is likely to be particularly helpful. The best contribution any enterprise can make to post-war welfare

is to do whatever lies within its power to work out its own program for the post-war era in advance and be ready when the time comes to proceed with dispatch and vigor—not so much to give employment as to provide the goods which will be demanded by the people of the world. What business men can do otherwise is another and less important matter—except so far as it lies within their power to inculcate the principles of self-reliance which must rule in the post-war world if real progress is to be made.

There is ample room for post-war planning—but if it is to succeed it must be based upon the assumption of really free enterprise and individual self-reliance. It should begin with an effort to get the government out of the planning business.

## The State Of Trade

The weekly figures of the heavy industries showed declines generally, but there were no spectacular showings and compared with last year gains, are holding at high levels. Production of electricity in the week ended Dec. 26 was 3,675,000,000 kilowatt-hours, compared with 3,975,873,000 in the preceding week and an increase of 13.6% over the 1941 week, according to an estimate by the Edison Electric Institute.

Engineering construction volume for the short week, due to the early closing for the New Year's holiday, totals \$76,295,000, a gain of 129% over the short preceding week and 39% above the week ending Jan. 1, 1942, according to "Engineering News-Record."

Private volume is almost six times that of the preceding week out is 12% under the opening 1942 week's total. Public work tops a week ago by 123% and is 42% above a year ago as a result of the respective 111 and 98% increases in Federal work.

For the 53 weeks of 1942, the \$9,305,829,000 total compares with \$5,868,699,000 for the 52 weeks of 1941, a rise of 56% when adjusted for the difference in the number of weeks reported. Private work, \$555,823,000, is 54% below a year ago on the weekly average basis, out public, \$8,750,006,000, is 83% higher due to the 131% climb in Federal construction.

Car loadings of revenue freight for the week ended Dec. 26 totaled 591,595 cars, according to reports filed by the railroads with the Association of American Railroads. This was a decrease of 151,316 cars from the preceding week, 14,907 cars fewer than the corresponding week in 1941, and 46,288 cars above the same period two years ago.

This total was 118.44% of average loadings for the corresponding week of the 10 preceding years.

The steel industry is set to accomplish goals that seemed fantastic a year ago and is entering a year scheduled to see the greatest expansion in capacity ever attempted, the magazine "Steel" says in its recent survey.

The program for 1943 includes an increase of 6,833,000 tons of steel ingots over the capacity in December. This is a growth of 10,290,000 tons over January, 1942. Blast furnace capacity will rise to 70,850,000 tons by the end of August under present plans against 64,440,000 tons at the end of December, 1942, an increase of 8,410,000 tons.

However, shortages of manpower in the metal-working industry will become "a major war-time headache" early in 1943, according to "Iron Age."

Most steel centers up to now, says the review, have reported an ample labor supply, the relatively low amount of overtime supporting a belief that manpower in such areas was sufficient to do the job. This week, however, Youngstown, Ohio, found its labor controlled under a stabilization plan intended to promote orderly recruiting and transfer of workers from nonessential to essential industries.

The reason for the "stabilizing" was a constantly growing short-

age. At midweek this was estimated at above 5,000 men with 27 larger war plants in that area alone in need of approximately 2,500 men.

Although retail trade went into its usual post-Christmas decline this week, sales were 2 to 6% higher than in the comparable 1941 week, according to Dun & Bradstreet, Inc.

Department-store sales on a country-wide basis showed an increase of 15% for the week ended Dec. 26, compared with the corresponding 1941 period, according to the Federal Reserve System. The weekly figures showed store sales up 13% for the four-week period ended Dec. 26, compared with the previous year. The increase for the year was 11%.

Department-store sales in New York City in the week ended Dec. 26 were 11% better than in the like week a year ago, and in four weeks ended Dec. 26 increased 6% over the corresponding 1941 period, the New York Federal Reserve Bank reported.

The most certain prophecy that can be made for 1943 is that every American will be called upon to do more to help win the war, says National City Bank of New York in its current monthly letter.

"Many will be called into the armed forces," the bank says. "Others will have to pay more taxes, buy more Government bonds, do more war work in factories and on farms, and go without more of the goods and services to which they have been accustomed. Business will be concentrated increasingly in the war effort; it will be subject to continuous and rigorous Government regulation; and where supplies of materials, manpower or other essentials for production and distribution are insufficient for every one civilian business and civilian consumption will be required to give way, as they are now doing, to war needs."

"It can be predicted with every assurance," the bank says, "that war production will rise more than total production and that in the aggregate less will be turned out for civilian use." "The cut in production of civilian goods in 1942 has been most pronounced in the second half of the year," the bank continues, "and the contraction of retail trade which it will eventually cause has been deferred by previous inventory accumulations. It all means that consumers in 1943 will be more dependent on current production, and general retail trade will be 12% smaller, according to the Department of Commerce."

## Morgenthau Opposes Advance Time Buying

Secretary of Treasury Morgenthau on Dec. 28 expressed opposition, it is stated, to the Nugent proposal for advance installment buying of consumer goods for post-war delivery. The Secretary told his press conference that he could see no advantage over the present war-bond program and that the plan would give people at home an unfair advantage over men on the battle fronts.

Associated Press Washington advices, in reporting this, added:

"Mentioning the proposal of Rolf Nugent, OPA official, Mr. Morgenthau said it would leave men in the armed forces 'out in the cold' while permitting people at home to build up priorities in a variety of goods for the post-war use.

"Asserting this was 'the most important reason why I'm against it,' Mr. Morgenthau said he could not see the justice of a program which would operate in favor of people 'earning big salaries at home' while men in the armed forces 'earning \$50 a month could not get in on it.'

"Mr. Nugent's proposal would establish a system of priorities on durable goods such as automobiles and refrigerators, on which people could begin paying now for delivery in the post-war era."

## Calls For Rededication To Unity For Victory

Secretary of State Hull on Dec. 24 wished Americans a "Christmas of supreme confidence" in victory and expressed the hope that the "burdens and sacrifices of today will bring mankind a brighter and nobler tomorrow." His message said:

"This second Christmas since an armed attack was launched against our country is an occasion for all of us to rededicate ourselves fervently to a unity of purpose and to unremitting effort in the accomplishment of the two great tasks which are still before us: to overthrow as speedily as possible, the forces of evil, now on the defensive but still formidably arrayed against us; and to make this world of ours truly worthy of the inspiring light which came to mankind when the Prince of Peace was born.

"May I wish all a Christmas of supreme confidence that we shall defeat and destroy the forces seeking to conquer and enslave us, and that the burdens and sacrifices of today will bring mankind a brighter and nobler tomorrow."

## Iden Industrial Editor Of Nat'l Affairs Bureau

V. Gilmore Iden has resigned as Secretary of the American Institute of Steel Construction, New York City, in order to accept the position of Industrial Editor of the Bureau of National Affairs, Washington. David Lawrence, Washington correspondent and editor of the "United States News," is President of the Bureau of National Affairs. The announcement from the American Institute of Steel Construction says:

"In 1926 Mr. Iden went to Washington as associate editor of the 'United States Daily.' Two years later he accepted an invitation to take over the public relations work of the American Institute of Steel Construction and in 1933 he became Secretary of the Institute. He is the author of various financial and economical works and is a member of the American Trade Association Executives, the American Marketing Association, the National Press Club of Washington, and the Engineers' Club of New York."

## Items About Banks, Trust Companies

The statement of the Chase National Bank of New York for Dec. 31, 1942, made public Jan. 5, shows deposits at the end of the year as \$4,291,467,000, the largest deposit figure yet reported by the bank, which compares with \$3,623,466,000 on Sept. 30, 1942, and \$3,534,967,000 on Dec. 31, 1941. Total resources on Dec. 31 amounted to \$4,569,496,000 compared with \$3,899,956,000 on Sept. 30, 1942, and \$3,811,803,000 on Dec. 31, 1941; cash in the bank's vaults and on deposit with the Federal Reserve Bank and other banks totaled \$1,132,553,000, compared with \$945,679,000 and \$1,248,516,000 on the respective dates; investments in U. S. Government securities, \$2,327,748,000 compared with \$1,796,736,000 and \$1,364,847,000; loans and discounts, \$786,057,000 compared with \$808,540,000 and \$802,221,000. On Dec. 31, 1942, the capital of the bank was \$100,270,000 and the surplus \$100,270,000, both amounts unchanged. After declaration on Dec. 23 of a semi-annual dividend to be paid Feb. 1 amounting to \$5,180,000, the undivided profits account on Dec. 31 amounted to \$45,049,000. This amount compares with \$44,109,000 on Sept. 30, 1942, and \$40,370,000 on Dec. 31, 1941. The net earnings of the Chase National Bank for the year 1942 amounted to \$15,040,000, or \$2.03 per share, compared with \$14,518,000, or \$1.96 per share, in 1941.

The statement of condition of the Guaranty Trust Co. of New York as of Dec. 31, 1942, shows total resources and deposits at their highest points in the company's history. Total resources are \$2,995,498,622, as compared with \$2,558,587,698 a year ago, and with the previous high total of \$2,813,930,185 as of March 31, 1941. Deposits are \$2,698,262,180, as compared with \$2,259,895,401 a year ago and with the previous high figure of \$2,520,172,054 as of March 31, 1941. The current statement shows holdings of U. S. Government obligations of \$1,692,372,868, the highest figure to date, comparing with \$1,018,486,211 a year ago. The company's capital and surplus remain unchanged at \$90,000,000 and \$170,000,000, respectively, and undivided profits total \$22,547,059, compared with \$19,470,857 a year ago.

The condensed statement of condition of the National City Bank of New York as of Dec. 31, 1942, shows total resources of \$3,761,671,281 and total deposits of \$3,555,940,023. These figures compare respectively with \$3,082,860,582 and \$2,878,821,222 at the previous year-end. Cash and due from banks Dec. 31 was \$901,172,805, a decrease of \$83,988,259 from a year ago; holdings of U. S. Government obligations and obligations of other Federal agencies total \$2,028,782,127, an increase of \$845,482,328, and loans, discounts and bankers' acceptances amounted to \$573,450,840, a decrease of \$45,359,733. On Dec. 31, 1942, the capital and surplus of the bank was \$77,500,000 each, both amounts unchanged. Undivided profits at \$23,793,450 show an increase of \$5,902,357 for the year.

The City Bank Farmers Trust Co., affiliate of the National City Bank of New York, reports as of Dec. 31, 1942, total assets of \$142,061,713 and deposits of \$115,366,183, as compared with \$111,944,327 and \$85,206,274, respectively, on Sept. 30, 1942. Cash and due from banks amounted to \$37,601,930, against \$27,669,775 three months ago, while holdings of U. S. Government obligations and securities of other Federal agencies at the latest date totaled \$85,560,974, as

compared with \$63,360,941. The trust company's capital and surplus remain unchanged at \$10,000,000 each. Undivided profits also remain the same as three months ago, standing at \$5,830,103.

J. P. Morgan & Co. Incorporated, New York, in its statement of condition as of Dec. 31, 1942, reports total resources of \$711,885,162 and total deposits of \$666,093,331, compared with \$749,725,411 and \$689,361,244 on Dec. 31, 1941. According to the current statement, cash on hand and due from banks amounts to \$154,589,149, against \$251,630,571 a year ago; U. S. Government securities (direct and fully guaranteed) to \$426,826,911, compared with \$356,023,513; State and municipal bonds and notes are now \$22,582,297, against \$33,993,423, and loans and bills purchased are shown as \$79,607,408, compared with \$63,918,203. The capital and surplus are unchanged from a year ago at \$20,000,000 each, while the latest statement shows undivided profits of \$1,817,508, compared with \$1,214,541 on Dec. 31, 1941.

In its statement for Dec. 31, the Chemical Bank & Trust Co. of New York reported deposits of \$1,199,430,404, the highest in the bank's history. This represents an increase of deposits of \$183,320,540 over Dec. 31, 1941. Total assets of \$1,289,983,863 also reached a new high and compare with \$1,101,728,374 at the close of 1941. Cash on hand and due from banks amounted to \$348,841,631, compared with \$377,335,460; U. S. Government obligations to \$536,810,141, against \$321,211,478; bankers' acceptances and call loans to \$54,397,121, against \$34,218,090, and loans and discounts to \$162,982,846, against \$156,455,076. The bank further reports: "Capital remains unchanged at \$20,000,000 but surplus shows an increase from \$50,000,000 to \$55,000,000, reflecting the transfer on Dec. 10 of \$5,000,000 from undivided profits to surplus, the third such increase in the past six years. Undivided profits were \$5,456,273 and, allowing for the above transfer, showed an increase for the year of \$1,294,549 after the usual dividends of \$3,600,000 (\$1.80 per share). The indicated net earnings on the bank's 2,000,000 shares (par \$10) amounted to \$2.45 per share for 1942 as compared with \$2.43 per share for the preceding year."

In its statement of condition as of Dec. 31, 1942, Bankers Trust Co., New York City, reports total deposits of \$1,504,657,609 and total assets of \$1,625,080,340, comparing, respectively, with \$1,375,481,863 and \$1,492,509,453 on Dec. 31, 1941. Cash and due from banks on Dec. 31 totaled \$484,927,527, against \$454,167,611 a year ago; U. S. Government securities to \$711,606,351, compared with \$585,614,943; loans and bills discounted, \$336,522,340, against \$318,846,790. The bank's capital and surplus are unchanged from a year ago at \$25,000,000 and \$50,000,000, respectively, while undivided profits are now listed at \$40,171,789, compared with \$36,203,466 on Dec. 31, 1941.

The statement of condition of Manufacturers Trust Co. of New York as of Dec. 31, 1942, shows deposits of \$1,322,420,807 and resources of \$1,419,495,474, which compare with \$1,112,353,210 and \$1,207,153,258 shown on Sept. 30, 1942. On Dec. 31, 1941, the respective figures were \$984,004,718 and \$1,080,505,867. Cash and due from banks is listed on Dec. 31 at \$370,862,493, against \$334,502,993 shown on Sept. 30 and \$365,609,706 shown a year ago. U. S. Government securities stands at \$635,564,410; three months ago it was

\$449,103,424 and one year ago it was \$340,928,748. Loans, bills purchased and bankers' acceptances is now \$300,378,843, which compares with \$305,236,225 on Sept. 30 and \$260,309,534 on Dec. 31 last year. Preferred stock is shown as \$8,599,540, common as \$32,998,440 and surplus and undivided profits as \$44,898,302. Net earnings for the year 1942 will be reported in detail by the president at the annual stockholders' meeting to be held on Jan. 13.

The Corn Exchange Bank Trust Co., New York City, reported as of the close of business Dec. 31, 1942, total deposits and other liabilities of \$532,798,687 and total resources of \$568,935,217, compared with \$435,683,292 and \$471,141,443, respectively, on Dec. 31, 1941. Cash items now total \$152,476,572, against \$176,276,690; holdings of U. S. Government securities are reported as \$324,312,363, against \$188,807,523, and loans and discounts now at \$37,035,467, compared with \$31,177,256 at the end of 1941. Capital is unchanged from a year ago at \$15,000,000, but surplus and undivided profits now stand at \$21,136,530, as against \$20,458,151 at the end of 1941.

According to the Dec. 31, 1942, statement of condition of the Public National Bank and Trust Co. of New York, total resources amounted to \$265,365,952 and deposits totaled \$243,398,918. This compares with resources of \$209,515,670 and deposits of \$187,299,297 at the end of 1941. Cash and due from banks in the current statement are given as \$58,839,785, against \$77,275,924 a year ago; loans and discounts amount to \$63,961,035, compared with \$72,361,738, and U. S. Government obligations to \$130,495,243, against \$44,690,148. Capital and surplus are unchanged from a year ago at \$7,000,000 each, but undivided profits are listed at \$4,598,773, as compared with \$4,059,988 a year ago. The bank reported earnings for the full year 1942 of \$2.85 per share, as compared with \$3.29 per share for the year 1941.

The Dec. 31 statement of The Continental Bank & Trust Co. of New York shows that total resources have crossed the \$100,000,000 mark for the first time in the bank's history. Total deposits, it is indicated, increased to \$96,759,799 and total resources to \$107,222,793 from \$85,830,735 and \$95,970,880, respectively, on Sept. 30. Loans and discounts of \$31,390,318 compared with \$36,292,866 on Sept. 30; cash and due from banks amounted to \$27,701,725 against \$27,311,115, and U. S. Government obligations increased to \$33,367,977 from \$15,734,419. Capital remains unchanged at \$4,000,000 and surplus and undivided profits increased Dec. 31 to \$4,770,157 from \$4,664,323 on Sept. 30.

The Continental Bank & Trust Co. of New York announced on Jan. 2 the appointment of Paul A. Albus, Clyde W. Hiseler and John F. Hughes as Assistant Secretaries. Ralph Farrington, formerly in the loan department, has been appointed Assistant Trust Officer.

Statement of condition of Sterling National Bank & Trust Co. of New York at Dec. 31, 1942, reveals an increase in surplus of \$250,000. Capital funds at the year-end aggregated \$4,303,153, comprising \$1,500,000 capital, \$2,500,000 surplus and \$303,153 undivided profits. These total funds represent an increase of \$251,852 during the last quarter of 1942. The bank reports a record all-time high in total resources and deposits—\$72,301,206 and \$67,090,997 on Dec. 31, 1942, as compared with \$51,573,559 and \$46,255,914, respectively, as of Sept. 30, 1942. Of the December total deposits of \$67,090,997, U. S. Government deposits amounted to \$14,894,284,

and commercial and other deposits were at the record high of \$52,196,712. Cash and due from banks amounted to \$18,370,692 on Dec. 31, 1942, against \$13,850,919 on Sept. 30, 1942; U. S. Government securities were \$32,379,322, against \$10,598,826; State, municipal and corporate securities \$2,019,705, against \$1,533,266; loans and discounts \$18,935,384, against \$24,964,054. Stock in Federal Reserve Bank increased during the quarter from \$112,500 to \$120,000. Reserves totaled \$547,633, as compared with \$790,080 on Sept. 30, 1942.

At a meeting of the Board of Directors of Sterling National Bank & Trust Co. of New York held on Dec. 31, the following promotions were made: Frank J. O'Leary, Assistant Vice-President; Louis Steinmuller, Assistant Cashier—both in the Queens Boulevard office; and Howard Grant, Assistant Cashier in the Broadway and 39th Street office.

J. Henry Schroder Banking Corp. reports total resources of \$48,701,207 as of Dec. 31, 1942, against \$48,718,622 on Sept. 30; cash and due from banks stand at \$6,958,181, against \$11,203,068; U. S. Government securities in the latest statement are shown as \$27,053,924, against \$22,429,452; customers' liability on acceptances (less anticipations) \$5,157,487 Dec. 31, compared with \$6,067,631 in September. Surplus and undivided profits have risen to \$2,607,781 from \$2,601,543 in the September quarter; amount due customers was \$34,342,911, against \$33,653,261. Acceptances outstanding now at \$6,132,841, compared with \$6,800,860.

Schroder Trust Co. reported Dec. 31 resources of \$29,321,624, compared with \$27,321,378 in September; cash and due from banks \$6,303,063, against \$6,686,683; U. S. Government securities \$15,531,440, against \$12,850,163; loans and discounts \$4,332,208, against \$4,550,074. Surplus and undivided profits were \$1,871,377, against \$1,866,679. Deposits were \$25,726,851, against \$23,795,008.

Fulton Trust Co. of New York reports total deposits of \$30,804,814 and total assets of \$36,032,884 in its statement of Dec. 31, 1942, compared with deposits of \$29,593,181 and assets of \$34,797,648 on Dec. 31, 1941. Cash, U. S. Government securities and demand loans secured by collateral amounted to \$31,002,532, against \$27,401,247 a year ago. State and municipal bonds on Dec. 31, 1942, were \$1,067,677, compared with \$3,073,627; time loans secured by collateral were \$992,689, against \$838,427 on Dec. 31, 1941. Capital, surplus and undivided profits, after dividend, amounted to \$4,962,721 on Dec. 31, 1942, compared with \$4,933,845 on Dec. 31, 1941.

The statement of condition of Clinton Trust Co. of New York as of Dec. 31, 1942, shows that total assets increased to \$13,804,381 from \$13,211,912 as of Sept. 30, 1942, and \$11,269,628 on Dec. 31, 1941. Deposits of the bank were \$12,634,000 on Dec. 31, 1942, compared with \$11,981,035 on Sept. 30, 1942, and \$10,121,722 a year ago. Surplus and undivided profits totaled \$417,350, against \$408,000 at Sept. 30 and \$385,000 on Dec. 31, 1941. Capital stock of the bank remains unchanged at \$600,000, while capital notes are \$50,000, compared with the same amount on Sept. 30, 1942, and with \$75,000 a year ago. Loans and discounts totaled \$2,596,996 on Dec. 31, 1942, against \$2,743,715 on Sept. 30 and \$2,911,583 on Dec. 31, 1941. Other asset items compare as follows with the figures for three months ago and a year ago: Cash on hand and due from banks \$3,667,592, against \$3,764,417 and \$3,462,227; investments in bonds \$7,064,835, against \$6,156,581 and \$4,392,909.

The Seamen's Bank for Savings in the City of New York has received authorization from the State Banking Department to open a branch office at 20 East 45th Street. The filing of this application with the Department was noted in our issue of Dec. 17, page 2176.

The Manhattan Savings Bank, 754 Broadway, New York City, has received permission from the State Banking Department to move its branch office at 644 Broadway to 19 West 48th Street.

The statement of condition of the Irving Trust Co., New York City, as of Dec. 31, 1942, shows total assets of \$1,040,271,353 and total deposits of \$928,493,534, against \$907,956,196 and \$795,276,592 on Dec. 31, 1941. Cash in hand and due from Federal Reserve and other banks is now reported at \$243,074,442, against \$357,696,816; holdings of U. S. Government securities total \$572,672,196, as compared with \$289,808,033, and loans and discounts are shown as \$184,902,150, against \$211,697,744 at the close of last year. Capital stock is unchanged from a year ago at \$50,000,000, but surplus and undivided profits now stand at \$54,906,526, as compared with \$54,193,575 on Dec. 31, 1941.

New high records for total assets and deposits are reported by Brown Brothers Harriman & Co., private bankers, in their financial statement of Dec. 31, 1942. Total assets amounted to \$163,742,348 compared with \$157,274,662 on Sept. 30, 1942 and with \$157,643,704 on Dec. 31, 1941. Deposits increased to \$143,686,578 compared with \$136,102,334 on Sept. 30, 1942 and \$133,722,124 at the close of the preceding year. Capital and surplus of \$13,445,284 compared with \$13,426,165 three months ago and \$13,365,284 a year ago. Loans and advances were \$25,874,629 against \$28,186,998 on Sept. 30, 1942 and \$30,113,560 on Dec. 31, 1941. Other important asset items compare as follows with the figures for three months ago and a year ago: Cash, \$37,455,406 against \$37,268,543 and \$41,291,083, respectively; United States Government securities (valued at lower of cost or market), \$67,329,281 against \$59,654,231 and \$51,535,932; marketable bonds and stocks (valued at lower of cost or market), \$13,078,218 against \$13,901,250 and \$13,287,282.

The New York Trust Co., New York City, reported as of the close of business Dec. 31, 1942 that total assets increased to \$673,169,484 from \$580,838,746 at the end of 1941, while deposits advanced to \$628,777,301 from \$537,081,903. Cash items amount to \$172,148,077, as against \$218,783,283 a year ago; United States Government obligations (direct and guaranteed) at \$326,995,937, as compared with \$196,596,510, and loans and discounts at \$140,601,229, against \$134,157,858. The bank's capital and surplus are unchanged from a year ago, remaining at \$12,500,000 and \$25,000,000, respectively, while undivided profits total \$4,532,434, as compared with \$3,383,773 at the close of 1941.

The statement of condition of the United States Trust Company of New York as of Dec. 31, 1942, shows total deposits of \$108,662,286 and total assets of \$140,961,910, as compared with \$131,371,606 and \$164,484,301, respectively, on Dec. 31, 1941. Cash in banks amounts to \$30,967,709, against \$67,112,066; holdings of United States Government obligations to \$70,758,425, compared with \$38,063,000; while loans and bills purchased totaled \$20,566,461, against \$32,787,914. Capital and surplus are unchanged at \$2,000,000 and

(Continued on page 80)

## Raw Materials For Allies From N. Africa

The Combined Raw Materials Board in Washington announced on Dec. 27 that the raw materials made available to the United Nations, "with French cooperation," in North Africa have been allocated to the United States and Great Britain. According to United Press Washington advices, manganese, cobalt ore and cork will be sent to the United States, while the supply of iron ore and pyrites, phosphate rock and superphosphates, zinc ore and concentrates and lead bullion and ore will go to the United Kingdom. In each case the allocations apply to supplies available for export to the two countries after local needs have been met.

United Press Washington advices further reported:

"The most important raw materials available in North Africa are phosphate rock and iron ore. French North Africa stands second only to the United States as the largest producer of phosphate rock, with an average pre-war production of more than 3,000,000 tons annually, but shipments of phosphate rock and iron ore to the United Kingdom in 1943 are expected to be considerably less.

"The United States has a sufficient supply of phosphate rock and iron ore, but Great Britain needs iron ore for its steel industry and phosphates to expand its agricultural program which already has increased its food production from 40 to 60% of its total needs.

"French North African production of other raw materials is small in relation to the available United Nations supply, with the exception of cork, of which Algeria normally produces one-fifth of the world's supply.

"Average production in French North Africa of these materials has been as follows: Cobalt, 5,000 tons; lead, 46,000 tons; manganese, 40,000 tons; zinc ore and concentrates, 34,000 tons; and cork, 46,000 tons.

## Fed. Report Services Will Be Coordinated

President Roosevelt has signed the bill designed to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing reports and information to Governmental agencies.

Under the legislation, the Director of the Bureau of the Budget will determine the needs for information, the methods to be employed in obtaining it, and to coordinate it so it would be of value to any Governmental agency needing it. This latter provision is designed to avoid several agencies seeking similar information in separate questionnaires.

The legislation exempts from approval by the Budget Bureau certain questionnaires customarily submitted by established Government offices, such as those prepared by the Bureau of Internal Revenue, the Comptroller of the Currency and the Federal bank supervisory agencies.

The measure passed the Senate on Nov. 23 and the House in amended form on Nov. 27. A conference report on the bill was approved by the House on Dec. 10 and the Senate on Dec. 11.

In advices Dec. 17 to the New York "Journal of Commerce" from its Washington bureau, it was stated that the Senate Small Business Committee said that the bill, styled the "Federal Reports Act of 1942," will be considered by smaller business men as "one of the most welcome pieces of legislation to pass the 77th Congress." In part, these advices said:

"It is intended to eliminate the terrific burden imposed upon the

business men of the country, and especially small business men, by the requirements of the Government for special reports of many kinds and types. As a result of this legislation, no Federal agency, except those specifically exempted, may solicit the same general information in the form of questionnaires, report forms, or similar methods, from ten or more persons or concerns without first submitting such forms or questionnaires to the Director of the Budget for approval. The director has the authority to reduce the number of questions on the questionnaire or he may direct that information be obtained from any other Federal agency which has the information available."

## CIO Has Program For Total Mobilization

The Congress of Industrial Organizations on Dec. 20 presented to Paul V. McNutt, Chairman of the War Manpower Commission, a seven-point program for total mobilization. In a letter to Mr. McNutt, Philip Murray, C. I. O. President, proposed "complete correlation of the activities of those agencies which have jurisdiction over procurement, the issuance of contracts and disposition of raw materials with those of the Manpower Commission."

The other points of the program called for:

"Full use of all available manpower, such as women, Negroes, and all racial groups.

"Adequate protection for workers whose right to leave particular jobs or areas is restricted.

"Protection for workers transferred from one job or area to another.

Labor participation in questions of drafting workers from war jobs to the armed forces.

"Expansion of the United States Employment Service and labor participation in its operation.

"National minimum standards of social security for all workers."

Concerning correlation of procurement, contracting and disposition of raw materials in relation to manpower, Mr. Murray said:

"It would be futile to continue the haphazard method of having the contracting agency issue contracts so as to create crises in manpower and seek to utilize the manpower commission solely as a fire department squad to meet those continuing crises. Contracts and available material must be correlated with the manpower requirements and supply. Total mobilization cannot be restricted to manpower, but must embrace mobilization of material resources as well."

## Estimates Manpower Needs At 65,000,000

Paul V. McNutt, Chairman of the War Manpower Commission, estimated on Dec. 29 that 65,000,000 persons will be needed in all types of gainful employment and in the armed services by the end of 1943. These estimates, according to the Associated Press, added 2,500,000 to previous official forecasts that the total required would be 62,500,000. Mr. McNutt explaining that this was attributable to "the needs of agriculture, lend-lease and supplying our own armed forces." The estimate that 20,000,000 would be needed in war industry alone remained about the same.

Chairman McNutt said that during 1942 the number of persons engaged in war industry had grown from 6,900,000 to 17,500,000 while the number in non-war industry had dropped from 29,200,000 to 21,000,000.

## AFL Names Group For Post-War Planning

A post-war planning committee of the American Federation of Labor was created on Dec. 26 by William Green, President of the A. F. of L., to draft a program designed to meet the emergencies that will be faced when the war is over. The group was directed to work on the following four-point program, the Associated Press reported:

"1. Plans for labor representation in the peace conferences.

"2. Specific proposals which the labor representatives would ask to have incorporated in the peace treaty.

"3. A program of post-war reconstruction to prevent a disastrous depression.

"4. Expansion of social, economic and political security for this country and the peoples of all lands."

Authorized by the last convention of the A. F. of L. to appoint such a committee, Mr. Green named as its Chairman, Matthew Woll, A. F. of L. Vice-President, and the following members: David Dubinsky, President of the International Ladies' Garment Workers; Miss Agnes Nestor, Director of Research for the International Glove Workers' Union; Dr. John Childs of Columbia University, representing the American Federation of Teachers; Harvey Brown, President of the International Brotherhood of Machinists; George M. Harrison, President of the Brotherhood of Railway Mail Clerks; Richard Gray, Secretary of the Bricklayers, Masons and Plasterers Union; Rubin Soderstrom, President of the Illinois State AFL; Milton P. Webster, Vice-President of the Brotherhood of Sleeping Car Porters.

## Volunteer Enlistments Ban Eased Until Feb. 1

Until about Feb. 1, 1943, the Navy, Marine Corps and Coast Guard will obtain recruits among Selective Service registrants who volunteer for those services, Maj. Gen. Lewis B. Hershey, Director of the Selective Service Bureau of the War Manpower Commission, announced on Dec. 16. General Hershey stated that "Selective Service regulations are being amended to remove the former requirement that volunteers under 21 must furnish the local board with written consent of parents." The announcement added:

"Local boards will approve application for voluntary induction, if the registrant has not been deferred in the usual process of classification by the boards, under new instructions sent to the 6,500 local boards through the Selective Service system.

"Registrants volunteering for immediate induction into the Army will be forwarded to Army induction stations as soon as possible.

"By Feb. 1 it is anticipated that procedure will be established so that calls may be levied for all branches of the armed forces, under the President's Executive Order of Dec. 5, which terminated enlistment of men from 18 to 38 years of age. (Noted in these columns of Dec. 10, page 2065.)

"The Selective Service directive also specified that the armed services are free to enlist persons not in the 18-38 age bracket."

## Lumber Movement—Week Ended Dec. 26, 1942

According to the National Lumber Manufacturers Association, lumber shipments of 414 mills reporting to the National Lumber Trade Barometer exceeded production by 26.0% for the holiday week ended Dec. 26, 1942. In the same week new orders of these mills were 26.2% greater than production. Unfilled order files

in the reporting mills amounted to 80.7% of stocks. For reporting softwood mills, unfilled orders are equivalent to 40 days' production at the current rate, and gross stocks are equivalent to 46 days' production.

For the year to date, shipments of reporting identical mills exceeded production by 12.9%; orders by 18.4%.

Compared to the average corresponding week of 1935-39, production of reporting mills was 38% greater; shipments were 33% greater, and orders were 19% greater.

## OPA Issues List Of Foods To Be Rationed

The processed foods to be rationed in February, as listed by the Office of Price Administration, were indicated as follows, in Associated Press accounts from Washington Dec. 27, according to the New York "Times."

### Canned and Bottled Fruits and Fruit Juices

Apples: including crabapples, applesauce, apricots, baby foods; berries, all varieties; cherries, red sour pitted; cherries, other cranberries and sauce; fruits for salad and fruit cocktail; grapefruit, grapefruit juice; grape juice, peaches, pears, pineapples, pineapple juice; all other canned and bottled fruits, fruit juices and combinations.

### Canned and Bottled Vegetables and Vegetable Juices

Asparagus, baby foods; beans, fresh lima; beans, green and wax; beans, all canned and bottled dry varieties, including baked beans, soaked dry beans, pork and beans, kidney beans and lentils; beets, including pickled; carrots, corn, peas, sauerkraut, spinach, tomatoes, tomato catsup and chili sauce, tomato juice, all other tomato products; all other canned and bottled vegetables, vegetable juices and combinations.

### Other Processed Foods

Canned soups, all types and varieties. Dried, dehydrated fruits; prunes, raisins, all others. Frozen fruits: cherries, peaches, strawberries, other berries, all other frozen fruits. Frozen vegetables;

asparagus, beans, lima beans, green and wax; broccoli, corn, peas, spinach, all other frozen vegetables.

### Items Not Included

Candied fruits, chili con carne, frozen fruits in containers over ten pounds, frozen vegetables in containers over ten pounds, fruit cakes, fruit juices in containers over one gallon, fruit puddings, jams, jellies, meat stews containing some vegetables, olives, paste products (such as spaghetti, macaroni, noodles) whether or not they are packed with added vegetable sauces, pickles, potato salad, preserves, relishes, vegetable juices in containers over one gallon.

## Urges Cut In Magazine Use of Print Paper

A flat 10% reduction in the amount of print paper to be used by each magazine publisher in 1943 as compared with 1942 was recommended to the War Production Board by the Magazine Industry Advisory Committee at a meeting with officials of WPB's Printing and Publishing Division in Washington. The committee made no recommendation as to how the individual publisher might effect the reduction if the consumption of print paper is curtailed. Indicating this on Dec. 22, the WPB said:

"Reason for the committee's recommendation is that the pulp wood supply available for 1943 is estimated to be 20,000,000 cords in North America, including Canada. Current consumption is at the rate of approximately 25,000,000 cords annually. The cut in availability of wood, however, does not necessarily indicate a proportionate cut in the supply of print paper, because of the inventory situation and other factors.

"The action of the magazine committee was in line with a recommendation submitted to WPB on Dec. 10, by the Newspaper Industry Advisory Committee. This committee recommended that, with various modifications and the right of appeal, newspapers be limited during 1943 to the same amount of print paper they consumed in 1941.

# 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, Georgia—Write for free booklet, "A Safer and Better Plan."
- **Danielson Federal Savings and Loan Association**  
84 Main Street, Danielson, Conn.—Write for free booklet and information.
- **First Federal Savings & Loan Association**  
46 Pryor Street, N. E., Atlanta, Ga.
- **Hinsdale Federal Savings and Loan Association**  
8 East Hinsdale Avenue, Hinsdale, Ill.
- **Mid Kansas Federal Savings and Loan Association**  
25 East William Street, Wichita, Kans.
- **Mutual Building and Loan Association of Pasadena**  
38 South Los Robles Avenue, Pasadena, Calif.—Write for free booklet, "Profits and Prophecy."
- **Railroadmen's Federal Savings and Loan Association**  
21 Virginia Avenue, Indianapolis, Ind.
- **St. Paul Federal Savings and Loan Association**  
4 East Fourth Street, St. Paul, Minn.—Write for information.
- **San Francisco Federal Savings and Loan Association**  
705 Market Street, San Francisco, Calif.
- **Southland Federal Savings and Loan Association**  
9440 Wilshire Boulevard, Beverly Hills, Calif.
- **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.

## Senator McCarran Urges Congress 'About Face' And Assume Rightful Dignity and Prerogatives

Senator McCarran (Dem., Nev.) urged on Dec. 26 that Congress "about face" and assume "the dignity and prerogatives that by law belong to it."

To achieve that aim, Senator McCarran, the Associated Press reports, suggested this three-point program for the 78th Congress, which convenes Jan. 6, to remedy three points of criticism which he made, as follows:

"An end to 'blank check' appropriations for any Executive Department of Government.

"Taxation by Congress alone, without interference by any other agency of Government.

"Restoration to the States of powers which have been taken over by the Federal Government."

The same advices indicated Senator McCarran as saying:

"This is going to be an unusual Congress, for it has heard a rumbling from the people," he said in an interview. "Congress should stand upon its own feet, take responsibility for its own actions and be what the Constitution intended it should be—government by representation of the people."

"We have all about us today subsidiary agencies that take to themselves the distinction of being the Government when as a matter of fact they are but employes of the Government."

Mr. McCarran said he did not think the Republican gains in November indicated that all progressive legislation would be "thrown into the discard."

"Progressive steps in Government do not belong to any particular group," he said. "They are growing and continuing things that come out of popular demand and popular necessity that no democratic government can be deaf to. Hence no fear should be entertained because of the increase in membership of one party or another."

## Need Continues For War Materials Inspectors

Applications for Inspector positions in the Production Protective Service of the War Department continue to be accepted by the U. S. Civil Service Commission, says advices Dec. 22 from the U. S. Civil Service Commission at Washington, which further states:

"The positions are extremely important to the war effort, as the inspectors will function for the protection of some 6,500 major factories engaged in war work. The salaries for these Inspector positions range from \$2,600 to \$5,600 a year, but applications are particularly sought from persons who are qualified for and will accept the salaries of the grades from Junior Inspector at \$2,600 to Senior Inspector at \$3,800 a year.

"Inspectors will be responsible for making recommendations to prevent interruptions or delays in the production and delivery of all types of war material caused by major accidents, explosion or other hazards inherent in manufacturing plants. No written test will be given. Applicants will be rated on their education, experience and personal qualifications, as soon as possible after the applications are received at the U. S. Civil Service Commission, Washington, D. C.

"The requirements are: General experience in performing inspectional and professional engineering advisory services for manufacturers as inspector in a property insurance rating bureau, as plant protection supervisor or master mechanic in a large industrial establishment, or as professional engineer specializing in plant protection work. Appropriate college study may be substituted for part of the experience.

"Applications will be accepted until further notice, but qualified persons are urged to apply immediately unless they are already

using their highest skills in war work. Announcements and applications may be obtained at any first- or second-class post office or from the U. S. Civil Service Commission in Washington, D. C. War Manpower restrictions on Federal appointments may also be consulted at these offices."

A previous item regarding the need for inspectors appeared in these columns Nov. 26, page 1901.

## WPA Lists Accomplishments

The Work Projects Administration, taking inventory before liquidating, on Dec. 20, cited a long list of achievements as evidence that it has made substantial contributions to public welfare. According to United Press advices from Washington, WPA officials said the various work relief programs have produced the following:

"643,977 miles of improvements to roads and streets, including 566,322 miles of rural roads, 66,392 miles of urban streets and 11,263 miles of other roads, chiefly through parks.

"77,053 bridges and viaducts built, with 45,705 others reconstructed or improved.

"34,056 public buildings, not including utility plants and buildings at airports. The agencies also reconstructed or improved 83,170 public buildings.

"5,832 educational buildings, mostly libraries and schools; 8,579 recreational buildings and 1,626 auditoriums and gymnasiums.

"1,476 office and administration buildings, 202 hospitals, 172 penal institutions, 1,382 dormitories, 316 fire houses and 328 armories.

"2,272 stadiums, grandstands and bleachers; 51 fair grounds and rodeo grounds; 1,650 parks, 3,036 playgrounds, 2,980 athletic fields, 9,971 tennis courts, 791 swimming pools, 1,098 ice skating areas, 228 bandshells, 136 outdoor theaters and 249 golf courses.

"Public utilities and sanitation projects, including 46 electric power plants, 132 incinerator plants, 1,298 pumping stations, 944 sewage treatment plants, 249 water treatment plants, water mains and distribution lines, reservoirs, storm and sanitary sewers, police, fire alarm and traffic signal systems and electric power lines.

"Hundreds of flood and erosion control, irrigation and conservation projects.

"Airport and airway facilities, including 285 new landing fields and 1,139 airport buildings."

President Roosevelt's order to the WPA to liquidate was reported in these columns Dec. 17, page 2169.

## Authority To Conduct Senate Inquiries To End January 31

All authority conferred by Senate resolutions authorizing inquiries and investigations will terminate at the end of January, 1943, under terms of a resolution passed by the Senate on Dec. 15.

Chairman Lucas (Dem., Ill.) of the Committee to Audit and Control the Contingent Expenses of the Senate, said he believed the new Senate should decide for itself which investigations should continue.

It is estimated the resolution affects 29 investigations by standing committees and 16 by special committees.

## Really Ass'n Teaching Property Management

A national course in property management to meet unprecedented problems of real estate management arising through the exigencies of war has been announced by the Institute of Real Estate Management, a division of the National Association of Real Estate Boards. The course will start Feb. 15, and will be held at the Wardman Park Hotel in Washington, D. C. The Association's announcement states:

"The course will deal in the most practical way with war-period complications in the administration of property. These arise, for example, from rent control, from restrictions affecting maintenance and repairs, from air-raid regulations, fuel oil regulations, from war's absorption of manpower, and from the tremendous wartime changes in market outlook, arising from commercial properties from retailers' inability to get goods, and for residential properties by reason of income changes and population changes.

"Designed to take account of new real estate management as, for example, that arising in war housing built and owned by the government, the course will consist of 28 morning and afternoon lectures, crowded into six days. Lecturers well known in the real estate field all over the country, will be James C. Downs, Jr., Chicago, who will be dean of the course, and Lester E. Frailey, Columbus, analyst of business method and co-author of "Fundamentals of Real Estate Practice," a course in real estate developed by the National Association of Real Estate Boards for its member boards.

"Heads of a number of governmental agencies whose work directly affects real estate, will lead the discussions involving current Federal action affecting management problems, to which 12 lecture periods will be given. Eighteen lectures will deal with principles and techniques in real estate management. The course is open to all interested in real estate management.

"The committee, under which material for the course is being prepared, includes Robert C. Nordblom, Boston, President of the Institute; H. P. Holmes, Detroit, and James C. Downs, Jr."

## Phila. "Inquirer" Raises Price of Sunday Edition

It was made known on Dec. 18 that the price of the Sunday edition of the Philadelphia "Inquirer" would be increased to 12 cents a copy at news stands and home delivery, effective Sunday, Dec. 20. Stating that "the tremendous increase in production and distribution costs makes this price change necessary," the "Inquirer" in its Dec. 18 issue said:

"The increase is being shared equitably with newsboys, news-dealers and carriers.

"This is the first increase in the price of the Sunday 'Inquirer' in more than 22 years. During this period the quality of the 'Inquirer' has been greatly improved, and scores of news features, several additional sections, and many, many pages of reading matter have been added.

"The Sunday 'Inquirer' now has more features, more news, more pictures and more comics than it ever had in its entire history.

"Throughout the country rising costs have caused more than half the daily newspapers in the United States to raise at least some portion of their circulation rate since the start of the war in 1939, a recent survey revealed.

"The 'Inquirer,' like many other newspapers, has been faced with the choice of lowering the quality of the product or increasing the price. To lower the quality of the

product is contrary to all the ideals of the ownership of the 'Inquirer,' and this newspaper therefore is asking its readers to share the added cost to the extent of this price increase.

"In addition to its expanded news sections, its large and beautifully illustrated society and amusement sections and its sports news section, the Sunday 'Inquirer' will continue to include its three exclusive color-gravure supplements—Picture Parade, Everybody's Weekly and the Sunday novel—as well as the three large comic sections in full size and color."

## President Greet U.S. Allied Armed Forces

President Roosevelt on Dec. 24 sent messages of Christmas greeting to the members of the nation's armed forces, to the ill and wounded of the armed services and to all the armed services and auxiliary services of our Allied nations.

In his greetings to the armed forces of the 28 United Nations, the Philippines, Ethiopia, the Fighting French and to Gen. Henri Giraud, commander of French forces with American troops in North Africa, Mr. Roosevelt said he was communicating with Allied forces at this time at the request of Congress in expression of that body's "deep and abiding sense of gratitude." The President's message, sent through the appropriate American diplomatic missions, was as follows:

"Struggling side by side against powerful foes, thousands upon thousands of soldiers of those nations large and small which are united in defense of freedom and justice and human rights face the holiday season far from home, across oceans or continents, in fields of desert sand or winter snow, in jungles or forests, on warships or merchant vessels, on island ramparts from Iceland to the Solomons, in the Old and New worlds.

"They strive to the limit of their strength without regard for the clock or the calendar, to hold the enemy in check and to push him back. They strike mighty blows and receive blows in return. They fight the good fight in order that they may win the victory which will bring to the world peace, freedom, and the advancement of human welfare.

"With a deep and abiding sense of gratitude, the Congress of the United States has, by a joint resolution, asked me to transmit, on behalf of the people of the United States, to the armed forces and auxiliary services of our Allies on land, on sea, and in the air, best wishes and greetings of the season to them and to their families and a fervent hope and prayer for a speedy and complete victory and a lasting peace.

"Accordingly, I shall be grateful to you if you will convey to your armed forces and auxiliary services, in the name of the Congress of the United States, in my own name, and in the name of the people of the United States, the cordial wishes and greetings and the hope and prayer expressed in the joint resolution."

Mr. Roosevelt's message to the men and women of the armed forces read as follows:

"Happily, the Star of Christmas again shines brightly in a world black with war and hate. Never has mankind yearned more for what that Star signifies—for peace and honor to men of goodwill. The way we must travel is yet long.

"As you go hopefully forward into the New Year you can be sustained by the thought that you have the most precious gift which is in the power of your countrymen to bestow—their affection and deep gratitude. To this I can only add my very warmest personal greetings to every one of you."

The President's message to the ill and wounded of the armed services followed:

"On this, another wartime Christmas, I would like to send you a personal message. We shall need your help when the war is won in the hard task of building a better and a freer world. It is fitting, therefore, that you who are younger shall be given the opportunity to fight for a better world in time of peace as you have fought to save this lesser world in time of war. God bless you and keep you, for you belong to us and to the future of America."

## 1943 War Program To Be \$90 Billion

Donald M. Nelson, Chairman of the War Production Board, in a report on production progress in the first year of war, said on Dec. 17, "the grimmest fighting and the hardest work lie ahead of us."

Mr. Nelson said the over-all war program in 1943 will have to be intensified to do a "better than \$90,000,000,000 war job." This compares with \$52,500,000,000 spent for war in 1942 and \$13,800,000,000 for defense in 1941.

From United Press Washington advices the following is also taken:

"He said the United States is making as many combat weapons today as the entire Axis, and the United Nations together are turning out twice as many weapons as the enemy." But he warned that "we cannot win a war simply by equaling or even outproducing enemies."

"Production for war alone in 1943 will have to equal the value of all the goods and services produced by the nation in its years of greatest prosperity," the report said. Attainment of this goal would mean that by the end of 1943, the United States would be out-producing the Axis two to one, and with its Allies would be out-producing the Axis three to one.

"Describing 1943 as 'the crucial year in the rubber situation,' the report added that America has 30,000,000 tire replacements—mostly old tires, retreads, and tires made of reclaimed rubber—to take the place of the 90,000,000 new tires which normally would have been consumed during 1942 and 1943.

"If the vast and ambitious synthetic rubber program is completely successful, and if the tires now on the road are carefully preserved, the United States will have defeated the rubber shortage by this time next year," the report said. "If not, the rubber shortage in terms of civilian transportation breakdown and a rubber-starved military machine may have defeated the United States."

The conversion of industry to war production ceased to be an important concern of the WPB by the fall of 1942 because "it was either achieved or well on the way to achievement," the report said.

## Tribute To Brandeis

The U. S. Supreme Court on Dec. 21 paid tribute to the late Louis B. Brandeis, former Associate Justice. Among those who spoke at the ceremony in memory of Justice Brandeis were Chief Justice Harlan F. Stone, Attorney General Francis Biddle, Senator George W. Norris (Ind., Neb.), Federal Circuit Judge Calvert Magruder of Boston, Federal Circuit Judge Learned Hand of New York and Lloyd K. Garrison, Dean of the University of Wisconsin Law School. Solicitor-General Charles Fahy presided.

Justice Brandeis, the first Jew to serve on the Supreme Court, died on Oct. 5, 1941, at the age of 84. He retired from the court on Feb. 13, 1939, after serving since 1916.

His death was referred to in our issue of Oct. 9, 1941, page 526.

## Private Funds For War Housing Financing Surveyed By Mortgage Bankers Association

There are plenty of private funds all over the country available for financing further war housing, according to the results of a survey announced Jan. 3 by the Mortgage Bankers Association of America. The advices in the matter state that "with a large majority of its members participating in the study, the results show that nearly 84% say there are plenty of private funds for financing FHA Title VI construction loans while only 16% said there was some scarcity of money in their communities." It is added that "as for permanent FHA Title VI financing, over 96% of the Association's members participating in the poll said ample funds were available while about 4% said they were not as far as their own communities were concerned."

Charles A. Mullenix, President of the Association, in announcing the results, said:

"These results, reflecting as they do, the opinions of those who represent the great bulk of the mortgage capital in the country, conclusively show that as far as financing of war housing goes, private funds are available in abundance to do the job. More than anything else, this means that the so-called 'public housers,' inside and outside Federal agencies, have absolutely no basis for contending that private funds are not sufficiently available for the full war housing job and that the time has come for public money to step in and complete it."

The survey was started in late November, after Mr. Mullenix had scored the "public housers" in an address in Cleveland and in two subsequent statements made after an Eastern investigation tour. At that time he said it seemed possible that the "public houser" element might use the present wartime emergency as an excuse for proposing a plan which would, in his opinion, mean the virtual "socialization of real estate financing entirely." He explained that the immediate excuse would probably be that private funds are slowly abandoning the war-housing field and the Government must step in.

In all seven geographical sections of the country, ample private funds are available, the survey indicates. As to the principal sources of these funds, insurance companies and banks and trust companies were far in the lead, although, as Mr. Mullenix pointed out, this is not a complete picture because it reflects very little of the present status of savings and loan associations. Very few of these institutions are Association members and hence their views are only slightly reflected in the data.

## More Aid For Small Business Reported

The Smaller War Plants Division of the War Production Board reported on Dec. 17 that it placed 1,236 contracts for \$22,500,000 in the Nov. 28-Dec. 12 period.

Prime contracts went to 176 concerns for \$7,300,000, and more than 100 sub-contracting concerns will participate in them. Previously reported prime contracts obtained by the Division had numbered 58 and the value of such contracts was \$21,000,000.

Contracts involving the use of critical tools totaled 1,060 for \$15,200,000, bringing the total of such contracts placed to 2,637, involving \$122,200,000.

Lou Holland, Chairman of the Smaller War Plants Corporation, revealed at a Congressional committee hearing on Dec. 15 that war production leaders have requested prime contractors to intensify greatly their efforts toward subcontracting.

Mr. Holland told a joint meeting of the Senate and House Small Business Committees that Undersecretary of War Robert P. Patterson, Undersecretary of the Navy James V. Forrestal and War Production Chief Donald M. Nelson had signed the directive,

which "is but an initial step in a vigorous program to equalize the production load."

He acknowledged that the Smaller War Plants Corp. had not taken over any prime contracts for farming out to smaller concerns, although it has authority to do so.

The Smaller War Plants Division of the WPB already has engaged actively in promoting subcontracting, Mr. Holland said, and has been a large factor in the placing of subcontracts totalling \$127,700,000 with 2,743 firms. He added, however, that since the Smaller War Plants Corp. was established by Congress last June to lend \$150,000,000 to small plants seeking war work, only 18 loans totalling \$2,000,000 have been approved.

Lieut. Gen. Brehon B. Somervell, Chief of the Army Service of Supply, told the Senate Small Business Committee recently that the Army's spreading of war contracts among small business has increased considerably.

Giving an accounting of procurement policies under his jurisdiction, Gen. Somervell testified that the smaller war plants increased their dollar volume share of War Department prime contracts 14% during November compared with September of this year. He further reported that the dollar volume of November prime contracts approved for plants employing less than 500 persons was about \$550,228,000, of which about \$209,408,000 was approved for plants employing less than 100 persons.

Of all prime contracts approved during November, Gen. Somervell said, 71.9% by number and 23.8% by dollar volume went to plants with fewer than 500 workers.

He emphasized that, in addition to prime contracts, small business frequently obtained subcontracts amounting to as much as 50% of the value of a prime contract awarded to big business.

## Cut Rates For Auto Collision Insurance

The National Automobile Underwriters Association announced on Dec. 13 that automobile collision insurance premiums will be reduced 20% for cars using "A" ration books and 10% for those with "B" books. The reductions, retroactive to Dec. 1, apply to all new and renewal policies in 30 States, including New York, and will be extended to other States where approval of supervising authorities is required.

In indicating this, the New York "Herald Tribune" of Dec. 14 reported:

Louis H. Pink, Superintendent of the New York State Insurance Department, said that "prompt approval" will be given the reduction by this State's regulatory body.

"The reductions," Mr. Pink said, "are not scientific because there is no real data available on which to base the rates in accordance with a change of conditions under gasoline rationing. The new rates, we feel, are a fair effort on the part of the companies to adjust to conditions. As experience is gained they may be subject to further change."

Daytime accidents have shown a marked decrease in the State, Mr. Pink asserted, but night driving continues dangerous due to dimout hazards. The daytime collision decrease has, however,

brought down the over-all accident rate.

Factors offsetting reduced mileage to some extent are higher repair costs, a general falling off of the automobile insurance business and increased operations costs, Mr. Pink pointed out.

The Association expressed the desire of its member companies to assist in the national movement to keep automobiles in use and help motorists whose mileage is reduced by gasoline rationing and the tire shortage to carry necessary insurance protection.

The Association reported a noticeable decrease in accidents in the 17 Eastern States which have been under gasoline rationing since last spring.

Yesterday's action was the third insurance reduction given motorists this fall. Two reductions were made in October in the liability rate, bringing the aggregate premium saving on that type of insurance to about 30% for restricted passenger cars.

Mr. Pink estimated that liability policies outnumber collision, but pointed out that collision protection is required by finance companies on cars purchased on installment plans.

## Roosevelt Urges Norris To Continue Useful Life

President Roosevelt said on Dec. 11 that he had asked Senator George W. Norris of Nebraska, who is retiring as Senator, to continue a useful life by talking to the people of this country and the world, because, the President added, he has a story to tell.

In reporting this, Associated Press advices from Washington Dec. 11 stated:

"Asked at a press conference whether he had requested Mr. Norris during a conference yesterday to remain in the Government, the President said he had not.

"He added that he had talked about the necessity of the veteran Independent, who was defeated for re-election, continuing to express his views to America and the world.

"The President added that Senator Norris has a great audience and a story to tell, and that when one person has those two things he should not quit and go home just because he is 81 years old.

"When a reporter wanted to know if he had suggested that Mr. Norris write a column, the President laughed and replied, nobody could write a column interestingly and truthfully three times a week.

"Senator Norris told reporters that his sole ambition is to have a hand in making the just and permanent peace he thinks ought to come out of this war."

Following the adjournment of Congress on Dec. 15, Senator Norris reiterated his determination to go back home to McCook, Neb., despite "a lot of pressure on me to stay here."

"I'm not going to do like a lot of fellows who lay around here looking for a job, although I know I need one," he declared.

Asked if he expected to follow the suggestion of President Roosevelt to remain in public service he replied: "I don't think so."

Norris said he had two engagements to fill before returning to Nebraska. One is a dinner in his honor in New York Dec. 29, the other a speech before the National Association of Rural Electric Cooperatives at St. Louis Jan. 19.

At a testimonial dinner given for Senator Norris by Senator Guffey in Washington on Dec. 10, Vice-President Wallace described Senator Norris as "one of the far-visions social planners of his time." Addressing the gathering, Mr. Wallace praised the Nebraskan as one who belonged to "that small group of wise public men who clearly see the future and are willing to do something about it."

In a valedictory speech Senator

Norris declared that the Americans who want to fight this war for profit or political power must be "taught the evil of their ways" so that the United States can join in writing a permanent peace. Lauded in a letter from President Roosevelt the Senator turned the testimonial dinner into a forum for an appeal for a just peace, said the Associated Press, which added:

"With half a hundred or more of the nation's public leaders banked around him at a horseshoe dinner table, Senator Norris listened silently as speaker after speaker piled accolade upon accolade in discussing his history-making public career.

"Then with a brief word of thanks, Senator Norris plunged into a vigorous attack on the views of those he said apparently were more interested in personal gain than in making over the world after the war.

"If out of it all we cannot get a peace that will combine the efforts of all of the world for better things than we had better surrender to Hitler tonight," the white haired exponent of liberalism declared.

Senator Norris, who has served nearly 40 years in Congress, will retire on Jan. 3, having been defeated in the November election by Kenneth Wherry. On Dec. 10 Senator Norris was the guest of the President at a White House luncheon.

## Urges War Housing By Private Builders

"Whatever war housing should be built in 1943 should be built by private home builders because they can do it quicker, cheaper and better," declared Fritz Burns of Los Angeles, Cal., newly elected President of the National Association of Home Builders, in the current issue of the "American Builder," made available Dec. 20. "The private builder can be implemented to do war housing far better than any public agency," Mr. Burns says. "He can do it with less materials and more quickly than the cumbersome procedures involved in any job run in Washington. He isn't asking for subsidies; he isn't asking for cost plus contracts, but for the opportunity to build the greatest amount of decent war housing with the least materials and with the minimum of government ownership and a minimum of post-war repercussions."

But, Mr. Burns points out, competent builders are being killed off like flies, needlessly and wastefully, by the conditions which have been put upon them in the vital job of producing accommodations for war workers. The horns of the dilemma for the private builder have been the limited material allowed by WPA and FHA limitations as to the kind of house it will insure. As a result of uncertainty after uncertainty, the very existence of one of the greatest industries in the country is being pinched out, unnecessarily, at a time when it is vitally needed in the war effort.

Six reasons why private building in the war period is preferable to public building, and why every effort should be made to give it conditions under which it can work, were listed as follows by Mr. Burns:

1. Lack of monotony, through personalizing and individualizing of privately owned homes.
2. Less wastage in maintenance.
3. Less likelihood of ghost communities.
4. More efficient use of priorities by private builders.
5. Greater public acceptance of privately built war houses.
6. Privately built housing is less apt to be wasteful or excessive beyond the actual need in

## 'Industry Advocate' To Aid On Business Questionnaires

The War Production Board announced on Dec. 19 that those industrial executives who feel that they are receiving WPB questionnaires which they believe cannot be answered are invited to bring their troubles to James Clay Woodson, who has been named "Industry Advocate" within the WPB. The WPB announcement says:

"Mr. Woodson will examine the questionnaire forms sent to industry. It will be his task to balance the need for the requested data against the burden imposed upon business concerns in compiling it. In doing so he will consult with business men, seeing to it that their points of view are fully considered. When Mr. Woodson finds that questionnaires burden industry more than than they help the war program, he will so inform the Office of Survey and Standards within the WPB, of which he will be a member. This office has the power to veto proposed questionnaire forms.

"In addition, Mr. Woodson will act on specific complaints to review the applicability of questionnaires already sent out. In this task he will succeed Joseph I. Lubin, Chairman of the Committee of Data Requests from Industry. Mr. Lubin last summer set up a committee within the WPB to remove grievances relating to questionnaires and forms. Some time ago Mr. Lubin asked to be relieved of his duties but agreed to remain until a successor had been found.

"Mr. Woodson was chosen for the task after consultation with the Advisory Committee on Government Questionnaires formed in September on the suggestion of Harold Smith, Director of the Bureau of the Budget. This Committee, which is headed by W. J. Donald, Managing Director of the National Electrical Manufacturers Association and former President of the American Trade Association Executives, includes as members executives of the leading business associations. Asked by the WPB to propose an 'Industry Advocate,' it named Mr. Woodson.

"Mr. Woodson brings to his assignment 25 years' experience as an engineer and manufacturer. It was the feeling both of the trade association executives and of the WPB that a man with operating experience is best able to judge the difficulties that concerns face in compiling information."

## Up To Congress To Decide On Cuts In Non-War Funds

President Roosevelt told his press conference on Dec. 29 that he would leave to Congress the final responsibility for further reducing non-war expenditures. Mr. Roosevelt indicated this when asked about reports that he plans to recommend large cuts in non-war expenditures in his budget message next week. The President will appear before Congress on Jan. 7 to deliver his message on the State of the Union and probably submit his budget message the following day (Jan. 8).

Mr. Roosevelt also said it was difficult to define what were war expenditures and what were not, citing, as examples, Federal supervision of meat inspection and control of white pine blister rust.

As to reports that funds for the anti-trust division of the Department of Justice would be greatly reduced, the President said that anti-trust laws were on the statute books and that it was up to the Congress to see that sufficient funds were appropriated to enforce them.

areas subject to fluctuating populations.

## New World-Wide Democracy Of United Nations Urged By Wallace In Wilson's Birthday Address

In an address on Dec. 28 Vice-President Henry A. Wallace presented several objectives which should be sought in the peace "that will inevitably come." Asserting that "measures of relief and rehabilitation will have to be undertaken," as "territory previously overrun by the Germans and the Japs is reoccupied by the forces of the United Nations," Mr. Wallace went on to say:

"Later, out of the experience of these temporary measures of relief, there will emerge the possibilities and the practicalities of more permanent reconstruction."

"We cannot now blueprint all the details, but we can begin now to think about some of the guiding principles of this world-wide new democracy we of the United Nations hope to build."

"Two of these principles must be liberty and unity, or in other words, home rule and centralized authority, which for more than 150 years have been foundation stones of our American democracy and our American union."

Mr. Wallace's remarks were broadcast from Washington, and his address, delivered on the 86th birthday of the late President Woodrow Wilson, was sponsored by the Woodrow Wilson Foundation, American Political Science Association, American Society for Public Administration and American Historical Association.

According to the Associated Press, President Roosevelt was consulted in advance of its delivery and the Office of War Information gave notice ten days ago that it would be presented, calling it "an important address on questions of the peace and post-war problems."

The Associated Press advices, as given in the Baltimore "Sun," pointed out that Mr. Wallace suggested as the guiding principle for international organization after the war "the maximum of home rule that can be maintained along with the minimum of centralized authority that must come into existence to give the necessary protection." The advices added:

"The objective would be four-fold:

"To preserve the liberty, equality, security and unity of the United Nations—liberty in the political sense.

"Equality of opportunity in international trade.

"Security against war and business depression due to international causes.

"Unity of purpose in promoting the general welfare of the world."

"Discussing what to do with the defeated nations, he advocated not only military but 'psychological disarmament.'"

Mr. Wallace observed that "it is especially appropriate to discuss this subject on this particular date, because it is the birthday of Woodrow Wilson, who gave up his health and eventually his life in the first attempt, a generation ago, to preserve the world's peace through united world action."

Continuing, he said: "At that time there were many who said that Wilson had failed. Now we know that it was the world that failed and the suffering and war of the last few years are the penalty it is paying for its failure."

"When we think of Woodrow Wilson, we knew him not only for his effort to build a permanent peace, but for the progressive leadership he gave our country in the years before that first world war. The 'New Freedom' for which Woodrow Wilson fought was the forerunner of the Roosevelt 'New Deal' of 1933 and of the world-wide new democracy which is the goal of the United Nations in this present struggle."

Saying that the task of this generation "is so to organize human affairs that no Adolph Hitler, no power-hungry warmongers, whatever their nationality, can ever again plunge the world into war and bloodshed," the Vice-President said that soon the nations of the world will have to face the question of whether the world's affairs can be so organized as to

prevent a repetition of the twin disasters—depression and war.

As to the special problem of what to do with the defeated nations after victory is attained, Mr. Wallace said "the United Nations must back up military disarmament with psychological disarmament—supervision, or at least inspection of the school systems of Germany and Japan, to undo so far as possible the diabolical work of Hitler and the Japanese war lords in poisoning the minds of the young."

Mr. Wallace stated that it would be the height of folly not to prepare now for the peace that will inevitably come and asserted that "without well-planned and vigorous action, a series of economic storms will follow the war," taking the form of inflation and temporary scarcities, followed by surpluses, crashing prices, unemployment, bankruptcy and, in some cases, violent revolution.

Mr. Wallace further said: "Obviously the United Nations must first have machinery which can disarm and keep disarmed those parts of the world which would break the peace. Also there must be machinery for preventing economic warfare and enhancing economic peace between nations. Probably there will have to be an international court to make decisions in cases of dispute. And an international court presupposes some kind of world council, so that whatever world system evolves will have enough flexibility to meet changing circumstances as they arise."

"The aim would be to preserve the liberty, equality, security and unity of the United Nations—liberty in a political sense, equality of opportunity in international trade, security against war and business depression due to international causes, and unity of purpose in promoting the general welfare of the world."

"In other words, the aim would be the maximum of home rule that can be maintained along with the minimum of centralized authority that must come into existence to give the necessary protection. We in the United States must remember this: If we are to expect guarantees against military or economic aggression from other nations we must be willing to give guarantees that we will not be guilty of such aggression ourselves. We must recognize, for example, that it is perfectly justifiable for a debtor, pioneer nation to build up its infant industries behind a protective tariff, but a creditor nation can be justified in such policies only from the standpoint of making itself secure in case of war."

With respect to economic reconstruction, the Vice-President said that "maintenance of full employment and highest possible level of national income should be the joint responsibility of private business and of government." He added:

"When the war is over, the more quickly private enterprise gets back into peace-time production and sells its goods to peace-time markets here and abroad, the more quickly will the level of government war-time expenditures be reduced. No country, through its own efforts or in co-operation with government, is able to maintain full employment. Let us hope that the best thought of both business and government can be focused on this problem, which lies at the heart of our American democracy and our American way of life."

Mr. Wallace also stated that "the war will have been fought

in vain if we in the United States, for example, are plunged into bitter arguments over our part in the peace or over such fictitious questions as government versus business."

He went on to say that the whole question of the post-war problem should be approached "not emotionally from the standpoint of either sacrifice or selfishness, but objectively from the standpoint of finding the common meeting ground on which the people of the world can stand. This meeting ground, after all, should not be hard to find—it is the security of the plain folks against depression and against war."

Mr. Wallace concluded:

"In the new democracy there will be a place for every one—the worker, the farmer, the business man, the housewife, the doctor, the salesman, the teacher, the student, the store clerk, the taxi driver, the preacher, the engineer—all the millions who make up our modern world. This new democracy will give us freedom such as we have never known, but only if, as individuals, we perform our duties with willing hearts. It will be an adventure in sharing—sharing of duties and responsibilities, and sharing of the joy that can come from the give-and-take of human contacts and fruitful daily living. Out of it, if we all do our part, there will be new opportunity and new security for the common man—that blend of liberty and unity which is the bright goal of millions who are bravely offering up their lives on the battle fronts of the world."

## From Washington

(Continued from first page)

employment before negotiating with the union because in his rapidly expanding operations he never knew when that stage was reached.

What has greatly perturbed both the CIO and the AFOL, however, is the Board's belated contention that the Wagner Act, instead of strengthening the hand of the union in its pursuit of the closed shop agreement, really weakened it. The Board is now saying that if either the CIO or the AFOL goes out on its own enterprise and negotiates a closed shop agreement, the Board feels free to set it aside. You can imagine that both CIO and AFOL are beginning to wonder just what sort of a labor Magna Charter the Wagner Act was.

There are some observers who see in the Board's rearing of its head at this time, a conviction on its part that in attacking closed shop agreements it will have the public on its side. The Board has been the subject of plenty of abuse and criticism for injecting a disturbance into the Kaiser yards, and observers have been amazed at its tenacity in going right ahead in the face of the storm. There is a feeling now that the Board hopes to ride the popular wave against the closed shop. The catch, of course, is that the Government is encouraging closed shop agreements, and the Board itself does not definitely discourage them; it is mostly insisting upon the right of passing upon them.

The turn of events is giving belated justification to those few veterans of the AFOL who didn't want any part of the Wagner Act in the beginning. They were denounced at the time as reactionary, as not really having labor's interests at heart. They are cackling to themselves now.

All indications point to the determination of a strong element in the new Congress to pry into lend lease operations, and just as strong determination on the part of the Administration together with a portion of the conservative press to prevent it. There is this to be kept in mind: This country

will spend \$100 billion in this fiscal year. The whole British Empire will spend but \$20 billion. This is not to make any odious comparisons, but it is difficult to see why there shouldn't be a calm investigation of where our money is going. The man in charge of the expenditures, Harry Hopkins, is certainly not a man to inspire unlimited confidence. There is ample evidence that lend lease operations have more to do with the post-war ambitions of the New Dealers than with the prosecution of the war itself.

## Farm Parity Bill Fails Of Action In Senate

The House-approved bill to re-define the farm parity price formula, so as to include the cost of all farm labor, which was not called up for consideration in the Senate before the Dec. 16 adjournment of Congress, is expected to be reintroduced by farm leaders early in the new session, starting Jan. 6.

The bill, which had passed the House on Dec. 3, would require reassessment of parity factors to include cost of labor represented in the production of crops, including work done by the farmer, his family and hired hands.

The Senate Agricultural Committee unanimously approved the bill on Dec. 5 and on Dec. 7, according to the United Press, Senator Thomas of Oklahoma sought to advance the House-approved bill by making it a rider to an Administration-sponsored bill. These advices said: "He introduced the legislation which would include all farm labor costs in computing parity, as an amendment to a bill which would add \$5,000,000,000 to the Reconstruction Finance Corporation's borrowing power."

Under date of Dec. 14 Associated Press Washington accounts said: "Inspired by the testimony of Federal Loan Administrator Jesse Jones at a closed session of the Banking Committee that the RFC had no recourse but to make funds available when the BEW issued a directive, Republicans demanded an amendment which would require prior RFC approval of expenditures before the BEW could embark on new projects."

"Last-minute efforts by Mr. Jones to compromise this controversy were reported to have met with the flat statement of Republican leaders that the bill would not pass this session."

It was predicted that, had the legislation passed the Senate, President Roosevelt would have vetoed it as he had previously expressed his opposition to any change in the farm parity price formula.

When the Economic Stabilization Act was being debated last September a proposal to re-define parity so as to include labor costs was bitterly contested. The House had first approved its inclusion but, after President Roosevelt had voiced his "unalterable opposition" to any recomputation of parity, a compromise proposal was worked out with the Senate under which it was agreed that in fixing maximum prices for farm commodities the President was directed to modify them if the ceiling prices failed to reflect the increase in the cost of farm labor since Jan. 1, 1941. Parity, below which farm price ceilings cannot be computed, is a price level calculated to give farmers a return for their crops comparable to a past favorable period, usually 1909-14.

The Office of Price Administration had estimated that, if the parity formula was revised to include farm labor costs, it would add \$3,000,000,000 to \$3,500,000,000 annually to the over-all cost of living.

The previous action by Con-

## ABA War Trust Conf. To Be Held In New York

A Wartime Conference on Trust Problems will be held in New York, Feb. 9-11, under the auspices of the Trust Division, American Bankers Association, it is announced by Louis S. Headley, President of the division, and also Vice-President of the First Trust Co. of St. Paul State Bank, St. Paul, Minn. Mr. Headley stated:

"There will be five sessions of the conference devoted chiefly to problems which are created or magnified in importance by the war. Trust institutions have special responsibilities here at home," he said. "They are serving many dependents whose chief support has been removed. They are serving men with property (and their families) who are in the armed forces or in war work. Trust institutions have a large part to play in protecting property and in providing security on the home front."

"Methods of serving these people better under difficult war conditions, and the larger problem of preserving values in a time of world disorder will be the theme of our conference."

Included among those scheduled to speak, in addition to Mr. Headley, are Gilbert T. Stephenson, Director of Trust Research of the A.B.A. Graduate School of Banking, and Mayo Shattuck of the Boston Bar, well known in trust circles. There will be several panel discussions — on wartime personnel problems, under the direction of William Powers, A.B.A. Director of Customer and Personnel Relations; on trust economics, under the direction of Dr. Paul F. Cadman, A.B.A. Economist, and on taxes, under the direction of Charles H. Mylander, Vice-President and Trust Officer of the Huntington National Bank, Columbus.

## NY Community Trust Makes Xmas Grants

Christmas disbursements totaling \$136,937 were made by the New York Community Trust on Dec. 24. "This," said Ralph Hayes, Director, "was the largest volume of outpayments the Trust has ever made in one day. The holiday grants numbered 106. Most of them were made in or near New York, but appropriations went also to agencies in 15 other cities including Baltimore, San Francisco, Washington, Seattle and San Diego. Among a variety of social services assisted, health and hospitalization, negro welfare and children's aid were outstanding. The advices in the matter added:

"Allotments for four Salvation Army operations in New York and San Francisco totaled \$10,667. A grant of \$10,000 to Johns Hopkins Hospital will benefit the Woman's Clinic there, finance a research project in nutrition and provide an obstetrical and gynecological museum. To the Y. W. C. A. in New York, Brooklyn and San Francisco, \$9,750 was paid. Henry Street Settlement received \$6,568 for its settlement work, visiting nurse service and music school.

"Other recipients of the Trust's Christmas payments included Girl Scouts, \$4,750; American Red Cross, \$4,700; Travelers Aid Society, \$4,450; United Hospital Fund, \$4,051; Community Service Society, \$3,234; Florence Crittenden Home, San Francisco, \$3,150; Metropolitan Opera Association, \$3,000; Lincoln School for Nurses, \$2,950; Colored Orphan Asylum, \$2,600, and Children's Aid Society, \$2,600."

gress on this matter was reported in these columns Oct. 8, page 1268.

## President Signs Federal Overtime Pay Bill— 48-Hour Week & Elimination of Non-Vital Work

On Dec. 24 President Roosevelt signed the resolution, approved by Congress before its adjournment, providing for pay or salary increases for some 1,500,000 or more civilian employees in the Federal service. At the same time the President asked Federal agencies to "reduce personnel wherever possible," and to establish a minimum work schedule of six days, 48 hours a week, for both departmental and field services. Saturday, under the new legislation is made a full work day, said United Press accounts from Washington Dec. 24, which further stated:

Most workers affected by the bill will receive overtime on the basis of time-and-a-half for work beyond 40 hours weekly. A flat 10% raise will be granted to salaries which do not lend themselves to overtime computation. No increase will be granted that would raise any salary to over \$5,000 a year and overtime pay will be calculated only on a base of \$2,900.

The measure was designed to relieve Federal workers, including postal employees, who heretofore were not compensated for extra work. It does not, however affect labor in arsenals, shipyards and other government-operated industries, who will continue to receive overtime for extra work.

The new legislation, in the form of a resolution, was passed unanimously by the Senate and House on Dec. 15. The increases would be retroactive to Dec. 1, and will continue in effect only until April 30. It is expected that Congress, in the interim, will revise the government pay schedule in more comprehensive legislation. Passage of the legislation came after President Roosevelt had called upon Congress to deal realistically with the whole field of Federal pay, rather than renew stop-gap legislation, and suggested that he be delegated authority to deal with pay and hours of work if Congress could not act within a few days.

On Dec. 28 the President issued an executive order defining the regulations governing the overtime pay. Reporting this, advices to the New York "Herald Tribune," from its Washington bureau, said:

"The order states that 'each employee shall be paid only such overtime compensation or portion thereof as will not cause his aggregate compensation, composed of his basic rate of compensation and his overtime compensation, to exceed a rate of \$5,000 per annum.'

"To compute overtime compensation, the pay for one hour shall be considered to be one-eighth of the employee's pay for one day and the pay for one day shall be considered to be 1-360 of the employee's per annum salary.

The order empowers heads of departments and agencies to establish a regular work week, that is, official hours of duty for each employee or group of employees.

In approving the pay-rise legislation, on Dec. 24, the President said that it is a "major step toward setting the government personnel situation in order" and one which "removes inequities and meets the rise in the cost of living by providing increased earnings for more work and longer hours."

The measure, he added, also "recognizes the acute manpower shortage and, as a wartime necessity, removes the peacetime luxury of the Saturday half holiday."

In directing department heads to institute a general six-day, 48-hour week, Mr. Roosevelt said in a memorandum:

"For many departments and agencies, the adoption of the 48-hour-week will represent a four-hour increase in the working schedule. Obviously, this will permit a reduction of personnel in some agencies and eliminate the necessity of filling vacant positions in others. I am expecting you to take immediate steps to bring about a reduction in your personnel requirements."

The President's memorandum further said:

"The Federal Government must concentrate on one task, the winning of the war. At this time we must measure all government activities against the grim standards of total war. Many activities, desirable in peace times, must be eliminated, provided only that such eliminations do not result in permanent harm to the future health and security of our individual citizens; many services must be provided at a reduced standard; all agencies—military and civilian—must take all necessary measures to organize their work for maximum efficiency.

"Although we have made great strides in converting the government to an all-out war basis, I am not satisfied that we have exhausted all the possibilities.

"I wish to be certain that we have stripped government activities of every nonessential, that work in one agency is not being duplicated in another, that we are carrying on our work in the war and so-called non-war agencies with an irreducible minimum of personnel fully employed, and that we are doing our job in the most effective and quickest way possible with only the absolute minimum of paper work or 'red tape.'

"I am expecting you, with the help of your employees from the top to the bottom of your agency, to begin immediately a continuing review of your activities, to eliminate every non-vital service, to seize every opportunity for improving the speed and efficiency of your operations, and to conserve manpower, materials and money."

It is estimated that the increases will add about \$108,300,000 to the Federal payroll for the five-month period.

Representative Ramspeck (Dem., Ga.), Chairman of the House Civil Service Committee, explained the provisions of the resolution as follows, according to the Associated Press:

"1. Extends provisions for overtime pay for 52% of all Federal civilian employees. The extra pay provision, which expired Nov. 30, is based on slightly less than time-and-a-half for hours worked in excess of 40 a week.

"2. Brings under overtime provisions the remaining 48%, except those paid on a fee, mileage or some other basis where definite work hours are not stipulated.

"3. Grants a 10% increase to employees not on an hourly basis, including postal workers employed on a mileage or other factor, and to employees in the legislative and judicial branches.

"4. Provides that both the overtime and 10% increases are payable only on the first \$2,900 of an employee's salary, and that an employee making \$5,000 or more will receive no increase, regardless of his hours. No persons holding elective jobs get increases."

## Canada Ends Year Of Unprecedented Activity

Canada is ending a year of unprecedented business activity with the output of war materials dominating industry to such an extent that the Government has become the purchaser of more than 50% of the entire production of the country, the Bank of Montreal states in its "Business Summary" dated Dec. 23. The Bank states:

"Marked shifts in business have

accompanied this activity and are becoming more accentuated, there being a progressive narrowing in the field of non-essential production and a concurrent extension of the influence of war business over commodities, manpower and services."

The bank adds:

"Canada's plant capacity for producing aluminum has been expanded seven-fold since the war began and can now produce more than the entire world production of aluminum in 1939. The shipbuilding output has increased 20% in the past three months and the program now calls for a total expenditure of \$900,000,000. Canada, since the war began, has launched 300 combat vessels and 1,100 smaller craft, and more than 70 of a program total of 300 merchant vessels of the 10,000-ton type have already been delivered.

"A material factor in the North African victories of the British army has been Canada's contribution to operations in that area of mechanized military vehicles estimated at 40,000 units. The total output by automobile manufacturers of military vehicles during 1942 will be about 215,000 units. The value of communications and signal equipment produced in Canada this year will be more than \$100,000,000 and plans are laid for its expansion to \$250,000,000 in 1943.

"The demands of expanded industries have necessitated an enlargement of the production of electric power."

## Plans For Pooling US-British Resources

Oliver Lyttelton, British Production Minister, told the House of Commons on Dec. 16 that Great Britain and the United States have agreed on allocation of their soaring output of raw materials, shipping, tanks, planes and armaments in 1943, pooling their resources for the common war against the Axis.

Reporting on his recent visit to Washington, where he conferred with American production officials, Mr. Lyttelton said the arrangements will enable Britain to step up her war effort as much as one-third, and permit the Allies to bring "the optimum impact upon the enemy."

According to the United Press advices from London, Mr. Lyttelton's report included these highlights:

"1. Combined Anglo-American shipbuilding in 1943 will substantially exceed 20,000,000 dead weight tons — a colossal total which represents twice the Mercantile tonnage controlled by the United States before the war." American production will include a higher proportion of faster vessels.

"2. The United States will allocate to Britain a definite number of various types of aircraft, including a "very substantial" proportion of transport planes.

"3. Sufficient American shipping will be allocated to Britain to carry out the minimum program for British imports from the United States. Definite agreement on the import program was reached.

"4. The two nations will combine their program for building escort vessels and allotting them to British and American Navies.

"5. Agreements were reached on the amount of raw materials, munitions, equipment and other items which the United States will ship to Britain."

The same advices said:

"Mr. Lyttelton gave no figures on expected plane production next year, but said the American allocation of aircraft to Britain next year will be higher than any figure previously discussed.

"The question of building a greater number of transport

## Canned, Dried, Frozen Fruits, Vegetables To Be Rationed Under Point System

Secretary of Agriculture Claude R. Wickard announced on Dec. 27 that he has directed the Office of Price Administration to ration all canned, dried, and frozen fruits and vegetables as soon as the machinery for rationing can be set up.

"Increased requirements of canned fruits and dried fruits for military purposes make it essential that our stocks be conserved," Secretary Wickard said. "While

our total supplies of canned fruits and dried fruits are the largest in history, they are among the foods most urgently needed for the fighting men of this nation and other United Nations. This year over one-third of our production of canned and dried fruits and vegetables is being used by the armed services; during the coming year nearly half of our production will be needed for military purposes," Secretary Wickard stated. He added:

"On the average, 33 pounds of canned, frozen, or dried fruits and vegetables are expected to be available for each person in 1943, as compared with an average of about 46 pounds a year from 1937 to 1941.

"With respect to the total food situation, I would like to stress the fact that, despite the heavy needs for food on the fighting fronts, our total output is so large that more than enough food remains to give civilians a well-balanced and healthful diet. To get this well-balanced and healthful diet to our people, our food must be fairly and equitably distributed. Rationing is a means to that end. It is a means of seeing that a small minority does not hoard or waste food at the expense of the rest of us. When that fact is realized I know that rationing of the comparatively few foods that need to be distributed in this manner will have the whole-hearted acceptance and support of the American people."

Secretary Wickard explained in a nation-wide radio address on Dec. 27 that rationing of some foods "is the best and fairest way to be sure that every American gets enough to eat." While saying that production records are being broken, the Secretary stated that rationing is necessary because "food from the United States is playing a tremendous part in the war strategy of the United Nations" and that "next year our armed forces and our fighting allies will need about a quarter of all the food we produce."

Mr. Wickard was preceded on the radio program by Elmer Davis, Director of the Office of War Information, who explained that the reason for announcing the rationing of fruits and vegetables so far ahead of the date it will go into effect was because the new system of point rationing will take longer than usual to get operating.

Both Mr. Wickard and Mr. Davis joined in appealing to the public to refrain from hoarding before the rationing is begun.

In a statement issued Dec. 27 Leon Henderson, Price Administrator, said the food rationing system is expected to begin in February and that, in the meantime, full information on the mechanics of the ration plan must be gotten to processors, wholesalers, retailers and the public. Embraced in the broad categories of rationed items are more than 200 kinds of fruits and vegetables, juices and soups, and a great variety of brands, grades and sizes and shapes of containers, Mr. Henderson said. He went on to explain:

"The mechanics of their purchase by the public under the program are simple.

"With a few minor exceptions, such as individuals living in institutions, every member of the civilian population from the newborn infant to the oldest inhabitant will have exactly the same

planes," he said, "is being studied."

number of points to spend during each ration period. These periods will be announced in advance.

"Point values will be identical in every store in the country and a housewife may shop for the family in any store she likes.

"The new point 'currency' for processed foods will be represented by the blue stamps in War Ration Book 2, which contains both red and blue stamps. There are a total of 96 blue stamps and a numeral on the face of each shows its point value. Each stamp also bears a letter of the alphabet. These letters designate the ration period when stamps may be used.

"For example, all blue stamps bearing the letters A and B; or A through F; or any other combination, might be designated for use during a specific period. Since each letter of the alphabet appears on stamps totaling 16 points—one '8,' and '5,' one '2,' and one '1'—the letters made valid in any one period determine the number of points that may be spent to buy the rationed foods. If only A and B star, ps were validated, only 32 points could be spent during the first ration period, while if stamps marked A through F were designated, the holder would have 96 points to spend.

"There are three important facts to be remembered in this connection:

"1. The total number of points that will be allotted to each civilian has not yet been determined; nor has the specific point value of any of the foods to be rationed. Points will be set for each commodity according to its supply at the time the ration period is announced.

"2. Possession of points merely entitles you to buy your share; you must pay for the rationed merchandise, as usual, in dollars and cents.

"3. The housewife has complete freedom of choice. She can spend her points any way she wishes, although, of course, the items that are scarce will have a higher point value and hence will use up her points faster."

## Closing Dates For 1943 Cotton Insurance Extended

Cotton farmers in most parts of the United States will have 15 more days in which to apply for Federal Crop Insurance on their 1943 cotton crop, than on their 1942 crop, the U. S. Department of Agriculture said on Dec. 31. Extension of the closing dates for insurance applications in many of the 19 cotton states was made upon recommendation of cotton growers and Agricultural Adjustment Agency farmer committeemen, said the Department, which added:

"Because of seasonal conditions, closing dates vary in the several states. In the Tulare Lake area, Kings County, Calif., Dec. 31 is the deadline date. The next deadline date is Feb. 15, in four counties in the lower Rio Grande Valley, Texas. All other closing dates fall on March 1, March 15, or April 1.

"Applications for crop protection must be signed before planting and before the final date in the county where the farm is located.

"In 1942, the first year of Federal cotton crop insurance, approximately 172,000 farmers insured their cotton crops. This coverage represented about 11% of the nation's cotton farms."

## McNutt Streamlines Manpower Controls— Five Operating Divisions Set Up

A new and streamlined organization of the War Manpower Commission was announced on Dec. 17 by Chairman Paul V. McNutt. Taking full advantage of the broad power granted by the President's recent Executive Order, Mr. McNutt placed the many divisions, offices and services which have been added to the Commission in recent months under full control of five operating divisions. The WPB states that in addition to the Bureau of Selective Service, originally announced, these bureaus are: the Bureau of Placement, the Bureau of Training, the Bureau of Labor Utilization, and the Bureau of Program Planning and Control. From the advices of the WPB we also quote:

"The Office of the Executive Director has been strengthened. Under the new set-up the Executive Director will be the general manager in charge of all administration and operations both in Washington and in the field. There will be two assistant executive directors, one of whom will have general responsibilities and the other will be in charge of field management.

"At the same time, Mr. McNutt issued instructions for all Washington offices to make a study of their operations in order (a) to cut down the volume of paper work and the number of reports required from the field, and (b) to determine how much additional authority could be delegated to the regional offices and from the regional offices to local offices.

"While there must be strict adherence to national policies relating to the allocation and use of manpower for military and industrial needs, every action will be taken to insure prompt and decisive action in the local community," Mr. McNutt said. "It is in the local community, not in Washington, where war jobs are really done."

At the same time Mr. McNutt announced the following staff:

"In the Office of the Chairman, Fowler V. Harper will continue as Deputy Chairman. Arthur S. Flemming will continue as presiding officer of the Management-Labor Committee.

"In the Office of the Executive Director, the following appointments were announced:

"Acting Executive Director, Arthur S. Flemming.

"Acting Assistant Executive Directors, Robert M. Barnett (general and personnel), and Byron Mitchell (field management).

"Budget and Administrative Planning Service, Leonard A'Hearn, Chief.

"Administrative Services, Harold S. Dotterer, Chief.

"General Counsel, Barnard C. Gavit. Associate General Counsel, Lt. Col. Edward F. Shattuck.

"Information Service, Philip S. Broughton, Director of Information.

"Chiefs of the operating bureaus are as follows:

"For the Bureau of Selective Service, Maj.-Gen. Lewis B. Hershey has already been announced as director. For the Bureau of Program Planning and Review, William Haber is director; for the Bureau of Training, Dr. W. W. Charters is acting director; for the Bureau of Placement, Glen E. Brockway is in charge. No director is announced for the Bureau of Labor Utilization; in the meantime, Brig.-Gen. William C. Rose will continue as Chief of the Manning Table Division in this bureau.

"Major responsibilities of the operating divisions are as follows:

"The Bureau of Selective Service will operate as heretofore along the lines prescribed by the Selective Service Act. It will coordinate its activities with the Placement Services and other offices of the War Manpower Commission.

"The Bureau of Placement will have responsibility for industrial employment, agricultural employ-

ment, the placement of professional and scientific manpower, and employment in Government services.

"The Bureau of Training will be responsible for professional and technical training, vocational training, the National Youth Administration, the training-within-industry program, and apprentice training.

"The Bureau of Program Planning and Review will be responsible for all reports and research, compilation and relation of labor market data, and relations with war agencies. It will coordinate the statistical activities of the Commission and maintain technical consulting service.

"The detailed organization of the Bureau of Labor Utilization has not been completed. It now includes the Manning Table Division and is expected to include analyses of in-plant employment problems."

Previous reference to Chairman McNutt's action regarding manpower was made in these columns Dec. 17, page 2165.

## New One-Cent Coin To Be Of Zinc-Coated Steel— Three-Cent Coin Planned

Secretary of the Treasury Morgenthau established on Dec. 24 specifications for a new wartime one-cent coin to be made of zinc-coated steel. The action was taken under recently enacted legislation designed to conserve strategic metal. The Treasury Department stated that:

"The order provides that the new piece shall be of the same size and design as the present coin, which has been minted since 1909. Coinage of the present penny, which is 95% copper, is suspended after Jan. 1, 1943."

Mrs. Nellie Tayloe Ross, Director of the Mint, said the new one-cent piece will be in production about Feb. 1. At the same time, Mrs. Ross said that the campaign to draw outstanding coins out of hiding and into business use will be continued. It is believed that by increasing circulation of coins already minted, demands for war-necessary metals can be reduced substantially.

The Treasury Department's announcement further stated:

"School children throughout the Nation have joined this month in the Treasury's campaign to induce conversion of coin savings into War Stamps and Bonds, or otherwise to divert them into business channels. The program, designed initially to increase available penny stocks for holiday needs, while the changeover to the new metal is being made, has proved so successful that it is being adopted as a continuing wartime policy.

"Banks throughout the country have given substantial assistance to the campaign to increase circulation of outstanding coins, Mrs. Ross said, many of them carrying on extensive publicity programs in their communities at their own expense. Many individuals, radio stations, and commercial establishments have helped.

"A huge volume of correspondence received at the Mint attests to the enthusiasm with which the schools have participated.

"Since the coins, upon reaching the banks, have been packaged promptly and reissued to fill business needs, no actual figures on the number of pieces attracted from hiding are available.

"Legislation authorizing a change in the penny was signed last week by President Roosevelt. With approval of the War Pro-

duction Board, Secretary Morgenthau authorized production of the zinc-coated steel coin after prolonged experimentation convinced Mint officials that this was the most practical material available at this time.

"The new law also authorizes coinage of a 3-cent piece, and, if the demand for minor coins continues, consideration will be given this denomination after the new penny is in production. The United States last minted a 3-cent coin in 1899.

"The zinc-steel penny will weigh slightly less than the copper coin, 41.5 grains, against the present 48 grains. Newly minted, it will have a blue-gray cast, which will tend to become dull with circulation.

"The extremely thin zinc coating will protect the steel from rust.

"Authority to make the new coin expires Dec. 31, 1946, but the order establishing the zinc-steel composition may be modified or revoked at any time by the Secretary of the Treasury."

Previous reference to the new one-cent coins was made in these columns of Dec. 24, page 2255.

## "B" & "C" Gas Coupons Worth 3 Gallons Only

Issuance of "B" and "C" supplemental gasoline rations in the East, ordered held up pending completion of new mileage tables, was resumed early last week under a new and tougher policy.

War Price and Rationing Boards are being instructed to examine each new application with extreme care and to grant supplemental rations restricted to the absolute minimum. In the case of renewals the boards are asked not to issue a number of coupons in excess of that granted previously except in the most extraordinary circumstances.

Value of "B" and "C" coupons was cut from four to three gallons each in the 17 Eastern States and the District of Columbia about two weeks ago because of the increasing gravity of the petroleum situation. At the same time, the issuance of new "B" and "C" supplemental rations, or their renewal, was suspended except where hardship is proven, until revised mileage tables and new instructions could be prepared and distributed to the local boards.

Commenting on the revised instructions, Leon Henderson, OPA Administrator, said that in view of the critical supply situation any inflation in coupon issuance must be prevented.

"The Board must reduce the ration in line with the necessary 25% reduction in gasoline consumption in all cases where extreme hardship would not be caused by such a straight reduction."

In addition to proof of necessity for mileage the boards will require each applicant to meet fully the ride-sharing and alternative transportation requirements of supplemental rations.

The reduction in "B" coupon value to three gallons also reduces the mileage possible in "B" books. Supplemental "B" books used in connection with an "A" book, will now provide a maximum of 378 miles of occupational driving a month, instead of 410 miles, as previously. Boards cannot allow mileage above this ceiling unless the applicant belongs to the preferred mileage class, and is therefore eligible for a "C" book.

Dealers were instructed to turn over all "A," "B," and "C" coupons which they redeemed at the previous four-gallon value by Dec. 22 to their suppliers. Intermediate and licensed distributors were given until 12:01 A. M. Dec. 29 to dispose of their four-gallon coupons. After that date War Price and Rationing Boards were instructed to accept cou-

## Darlan Assassinated—Roosevelt Condemns Act—Giraud Chosen Successor

Admiral Jean Darlan, French High Commissioner in Africa, was assassinated on Dec. 24 at his office in Algiers. He died while being taken to the hospital. The assassin, who was taken into custody, was said to be of French nationality, but his name was not revealed "for reasons of national security." A court-martial on Dec. 25 condemned the assassin to death and the sentence was carried out on Dec. 26.

Admiral Darlan, who was 61 years old, was given a military funeral on Dec. 26, with American, British and French leaders, attending the ceremony in the Algiers Cathedral.

Admiral Darlan, who formerly was Vichy's chief of armed forces but aligned himself with the United Nations as a result of the Allied invasion of North Africa, was succeeded on Dec. 27 by General Henri Honore Giraud, who also continues as commander of the French forces in Africa. In assuming full military and civil powers, Gen. Giraud said:

"I ask all to stand united behind me to assure, with the support of our Allies, the success of our armies. Only one thing counts: France and her empire; there is but one aim: Victory."

In a formal statement on Dec. 24, President Roosevelt denounced the assassination of Admiral Darlan as "murder in the first degree." His statement follows:

"The cowardly assassination of Admiral Darlan is murder in the first degree. All leaders of all United Nations will agree with that statement. Nazism and fascism and military despotism hold otherwise. I hope that speedy justice will overtake the murderer or murderers of Admiral Darlan."

Secretary of State Hull on Dec. 26 said the assassination was "an odious and cowardly act" but cautioned that "we be not diverted for a moment from the supreme objective in the present battle against the Axis forces for the control of the African continent and the Mediterranean." He also said that the part played by Admiral Darlan "related primarily to the military situation and was of incalculable aid to the Allied armies in the battle which is still raging."

Lieut. Gen. Dwight D. Eisenhower, Allied Commander in Chief of the North African Expeditionary Force, had made the political arrangements with Admiral Darlan for the purpose of saving lives and time.

With respect to the action of the French African people allying themselves against the Axis, President Roosevelt declared on Dec. 16 that since the landing of the Anglo-American expeditionary force in French Africa on Nov. 8, the people of North Africa "have definitely allied themselves on the side of liberalism against all for which the Axis stands in government."

The President made this comment in releasing the text of a statement by Admiral Darlan renouncing any personal ambition in leading North and West Africa against Germany and Italy and into the ranks of the United Nations. Admiral Darlan's statement, which had been communicated to the President by Lieut. Gen. Eisenhower, said that his sole purpose was "to save French Africa, help to free France, and then retire to private life with the hope that future leaders of France may be selected by the French people themselves and by no one else."

In making public Admiral Darlan's statement, the President said in an introductory paragraph:

"Since Nov. 8 the people of North Africa have accomplished much in support of the war effort of the United Nations, and in doing so have definitely allied themselves on the side of liberalism against all for which the Axis

stands in government."

stands in government."

The President's statement, saying that he had accepted General Eisenhower's political arrangements with Admiral Darlan as a "temporary expedient," appeared in our issue of Dec. 10, page 2071.

## RFC War Activities Over \$18 Billion

The war activities of the Reconstruction Finance Corporation have aggregated \$18,289,576,761 as of Oct. 31 in loans, investments, purchase contracts and other commitments, Secretary of Commerce Jesse Jones disclosed on Dec. 15 in a report to President Roosevelt and Congress. The RFC war program was carried out through the activities of Defense Plant Corporation, Defense Supplies Corporation, Metals Reserve Co., Rubber Reserve Company, War Damage Corporation and U. S. Commercial Co., as well as RFC itself, which owns all the capital stock of the other companies.

Associated Press Washington advices on Dec. 15 reported: Mr. Jones said the Defense Supplies Corp. had contracted with 28 companies for the operation of as many plants to produce high-octane aviation gasoline. He disclosed that nine of 12 government-financed plants for aluminum production already were in "at least partial production," under commitments totaling \$737,391,674, and asserted the stock of aluminum in this country totaled more than 280,000,000 pounds, exclusive of that held by manufacturers. He said 12 to 16 government-financed magnesium plants were in some stage of operation under commitments totaling \$422,074,007.

The Secretary estimated the cost of all the synthetic rubber plants and facilities at \$564,361,220.

## Discuss Small Business And Post-war Problems

The wartime conference of the National Retail Dry Goods Association will open at the Hotel Pennsylvania, New York City, on Jan. 11 and continue through Jan. 15. At the opening session, Senator Murray (Dem., Mont.), who is Chairman of the Senate Small Business Committee, will talk on "Must the Small Retailer Commit Suicide?"

The NRDGA has set aside one entire session (the morning of Jan. 14) to the discussion of planning now for the post-war period and has scheduled four prominent speakers to address the members.

"Regional Planning and its Effect on Distribution and the Retailing Picture," will be the first broad phase of the problem, as presented by George McAneny, of the Title Guaranty & Trust Co., and director of the Regional Planning Association, New York. This will be followed by a talk on "Preparing for the Return to Peace," by David C. Prince, Vice-President, General Electric Co., Schenectady. Leslie M. Cassidy, Vice-President and General Manager, Building Materials Department of Johns-Manville Co., will speak on "Tomorrow's Housing Opportunities." Charles Poletti, former Lieut. Governor and present interim Governor of New York State, will speak on "State Policies and Post-War Planning."

# 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)										
1942-43— Daily Averages	U. S. Govt. Bonds	Avg. Corpo- rate*	Corporate by Ratings*				Corporate by Groups*			
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Jan. 5	117.03	107.44	116.80	113.89	108.88	92.20	97.31	111.81	114.66	114.46
4	116.94	107.44	117.00	114.08	108.88	92.35	91.31	111.81	114.46	114.46
2	116.85	107.44	117.00	113.89	108.06	92.35	97.16	111.81	114.46	114.46
1 Exchange Closed										
Dec. 31	116.79	107.27	116.80	113.89	108.88	92.20	97.00	111.81	114.46	114.46
30	116.78	107.27	116.80	113.89	108.88	92.20	97.00	111.81	114.46	114.46
29	116.78	107.27	116.80	114.08	108.88	92.06	97.00	111.81	114.46	114.46
28	116.78	107.44	117.00	113.89	108.88	92.20	97.00	111.81	114.46	114.46
26	116.78	107.27	116.61	113.89	108.88	92.20	96.85	111.81	114.46	114.46
25 Exchange Closed										
24	116.78	107.27	116.80	113.89	108.88	92.20	96.85	111.81	114.46	114.46
23	116.78	107.27	116.80	113.89	108.70	92.20	96.85	111.81	114.46	114.46
22	116.78	107.27	116.61	113.89	108.70	92.20	96.85	111.81	114.46	114.46
21	116.78	107.27	116.80	113.89	108.88	92.20	96.85	111.81	114.46	114.46
19	116.78	107.27	116.80	113.89	108.88	92.06	96.85	111.81	114.46	114.46
18	116.78	107.27	116.61	113.89	108.88	92.06	96.85	111.81	114.46	114.46
17	116.78	107.09	116.61	113.89	108.70	91.91	96.69	111.81	114.46	114.46
16	116.78	107.09	116.61	113.89	108.88	91.77	96.54	111.81	114.46	114.46
15	116.78	107.09	116.80	113.89	108.88	91.62	96.54	111.81	114.46	114.46
14	116.78	107.09	116.80	113.70	108.88	91.62	96.54	111.81	114.46	114.46
12	116.78	107.09	116.80	113.70	108.88	91.62	96.54	111.81	114.46	114.46
11	116.78	107.09	116.80	113.89	108.88	91.62	96.54	111.81	114.46	114.46
10	116.78	107.09	116.80	113.89	108.88	91.62	96.54	111.81	114.46	114.46
9	116.78	107.09	116.80	113.70	108.88	91.62	96.54	111.81	114.46	114.46
8	116.78	107.09	116.80	113.70	108.88	91.62	96.54	111.81	114.46	114.46
7	116.78	107.27	116.80	113.89	108.88	91.77	96.54	111.81	114.46	114.46
5	116.78	107.27	116.80	113.89	108.88	91.91	96.69	111.81	114.46	114.46
4	116.78	107.27	116.80	113.70	108.88	92.06	96.69	111.81	114.46	114.46
3	116.78	107.27	116.80	113.89	108.88	91.77	96.69	111.81	114.46	114.46
2	116.78	107.27	116.80	113.89	108.88	91.77	96.54	111.81	114.46	114.46
1	116.78	107.27	116.80	113.89	108.88	91.77	96.54	111.81	114.46	114.46
Nov 27	116.85	107.27	117.00	113.89	108.88	91.91	96.54	112.00	114.66	114.66
20	117.30	107.44	117.00	114.27	108.70	92.50	97.00	112.00	114.66	114.66
13	117.36	107.62	117.20	114.27	108.70	92.50	97.16	112.19	114.46	114.46
6	117.36	107.62	117.20	114.27	108.70	92.50	97.16	112.00	114.46	114.46
Oct 30	117.38	107.44	117.00	114.08	108.70	92.50	97.31	112.00	114.46	114.46
23	117.38	107.44	117.00	114.08	108.70	92.50	97.31	111.81	114.46	114.46
16	117.37	107.44	117.00	114.08	108.70	92.50	97.31	111.81	114.46	114.46
9	117.38	107.44	117.20	114.08	108.70	92.50	97.31	111.81	114.46	114.46
2	117.39	107.27	117.00	113.89	108.52	92.35	97.16	111.81	114.46	114.46
Sep 25	117.51	107.27	117.00	113.89	108.70	92.06	97.00	111.62	114.08	114.08
Aug 28	117.85	106.92	116.80	113.31	108.16	92.06	96.54	111.62	114.08	114.08
July 31	118.11	106.92	116.41	113.50	108.16	91.77	96.07	111.44	114.27	114.27
June 26	118.14	106.39	116.22	112.93	107.80	91.05	95.47	110.88	113.89	113.89
May 29	118.35	106.39	116.02	112.93	107.44	91.77	96.07	110.70	113.70	113.70
Apr 24	117.80	106.74	116.22	113.12	107.62	92.06	96.69	110.70	113.70	113.70
Mar 27	118.20	106.74	116.22	113.50	107.62	91.91	97.00	110.34	113.50	113.50
Feb 27	116.34	106.39	115.63	113.31	107.62	91.62	96.85	110.15	113.31	113.31
Jan. 30	117.08	106.92	116.22	113.70	107.80	92.06	97.31	110.52	113.70	113.70
High 1942	118.41	107.62	117.20	114.27	108.88	92.64	97.47	112.19	114.66	114.66
Low 1942	115.90	106.04	115.43	112.75	107.09	90.63	95.32	109.60	112.75	112.75
High 1941	120.05	108.52	118.60	116.02	109.60	92.50	97.78	112.56	116.41	116.41
Low 1941	115.89	105.52	116.22	112.00	106.04	89.23	95.62	109.42	111.62	111.62
1 Year ago										
Jan. 5, 1942	117.95	106.56	116.02	113.70	107.44	91.34	96.54	110.70	113.31	113.31
2 Years ago										
Jan. 4, 1941	118.51	106.39	118.00	114.46	106.56	89.78	95.92	110.15	114.27	114.27

MOODY'S BOND YIELD AVERAGES† (Based on Individual Closing Prices)										
1942-43— Daily Averages	U. S. Govt. Bonds	Avg. Corpo- rate*	Corporate by Ratings*				Corporate by Groups*			
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Jan. 5	2.07	3.31	2.81	2.95	3.22	4.24	3.92	3.07	2.92	2.92
4	2.07	3.31	2.80	2.95	3.23	4.25	3.92	3.07	2.93	2.93
2	2.08	3.31	2.80	2.96	3.22	4.25	3.93	3.07	2.93	2.93
1 Exchange Closed										
Dec. 31	2.08	3.32	2.81	2.96	3.23	4.26	3.94	3.07	2.93	2.93
30	2.08	3.32	2.81	2.96	3.23	4.26	3.94	3.07	2.93	2.93
29	2.08	3.32	2.81	2.95	3.23	4.27	3.94	3.07	2.94	2.94
28	2.08	3.31	2.80	2.96	3.23	4.26	3.94	3.07	2.93	2.93
26	2.08	3.32	2.82	2.96	3.23	4.26	3.95	3.07	2.94	2.94
25 Exchange Closed										
24	2.08	3.32	2.81	2.96	3.23	4.26	3.95	3.07	2.94	2.94
23	2.08	3.32	2.81	2.96	3.24	4.26	3.95	3.07	2.94	2.94
22	2.08	3.32	2.82	2.96	3.24	4.26	3.95	3.08	2.94	2.94
21	2.08	3.32	2.81	2.96	3.23	4.26	3.95	3.07	2.93	2.93
19	2.08	3.32	2.81	2.96	3.23	4.27	3.95	3.07	2.94	2.94
18	2.08	3.32	2.82	2.96	3.23	4.27	3.95	3.08	2.94	2.94
17	2.08	3.33	2.82	2.96	3.24	4.28	3.96	3.08	2.94	2.94
16	2.08	3.33	2.82	2.96	3.23	4.29	3.97	3.08	2.94	2.94
15	2.08	3.33	2.81	2.96	3.23	4.30	3.97	3.08	2.94	2.94
14	2.09	3.33	2.81	2.97	3.23	4.30	3.97	3.07	2.94	2.94
12	2.09	3.33	2.81	2.97	3.23	4.30	3.97	3.07	2.94	2.94
11	2.09	3.33	2.81	2.96	3.23	4.30	3.97	3.07	2.94	2.94
10	2.09	3.33	2.81	2.96	3.23	4.30	3.97	3.07	2.94	2.94
9	2.09	3.33	2.81	2.96	3.23	4.30	3.97	3.07	2.94	2.94
8	2.09	3.33	2.81	2.97	3.23	4.29	3.97	3.07	2.94	2.94
7	2.09	3.32	2.81	2.96	3.23	4.29	3.97	3.07	2.94	2.94
5	2.09	3.32	2.81	2.96	3.23	4.28	3.96	3.07	2.94	2.94
4	2.09	3.32	2.81	2.97	3.23	4.27	3.96	3.07	2.94	2.94
3	2.09	3.32	2.81	2.96	3.23	4.29	3.96	3.07	2.94	2.94
2	2.09	3.32	2.81	2.96	3.23	4.29	3.97	3.07	2.94	2.94
1	2.09	3.32	2.81	2.96	3.23	4.29	3.97	3.07	2.94	2.94
Nov 27	2.09	3.32	2.80	2.96	3.23	4.28	3.97	3.06	2.92	2.92
20	2.06	3.31	2.80	2.94	3.24	4.24	3.94	3.06	2.92	2.92
13	2.05	3.30	2.79	2.94	3.24	4.24	3.93	3.05	2.93	2.93
6	2.05	3.30	2.79	2.94	3.24	4.23	3.91	3.06	2.93	2.93
Oct 30	2.05	3.31	2.80	2.95	3.24	4.24	3.92	3.06	2.94	2.94
23	2.05	3.31	2.80	2.95	3.24	4.24	3.92	3.07	2.93	2.93
16	2.05	3.31	2.80	2.95	3.24	4.24	3.92	3.07	2.93	2.93
9	2.05	3.31	2.79	2.95	3.24	4.24	3.92	3.07	2.93	2.93
2	2.05	3.32	2.80	2.96	3.25	4.25	3.93	3.07	2.94	2.94
Sep 25	2.04	3.32	2.80	2.96	3.24	4.27	3.94	3.08	2.95	2.95
Aug 28	2.03	3.34	2.81	2.99	3.27	4.27	3.97	3.08	2.95	2.95
July 31	2.01	3.34	2.83	2.98	3.27	4.29	4.00	3.09	2.94	2.94
June 26	1.96	3.37	2.84	3.01	3.29	4.34	4.04	3.12	2.96	2.96
May 29	1.95	3.37	2.85	3.01	3.31	4.29	4.00	3.13	2.97	2.97
Apr 24	1.99	3.35	2.84	3.00	3.30	4.27	3.96	3.13	2.97	2.97
Mar 27	1.96	3.35	2.84	2.98	3.30	4.28	3.94	3.15	2.98	2.98
Feb 27	2.11	3.37	2.87	2.99	3.30	4.30	3.95	3.16	2.99	2.99
Jan. 30	2.05	3.34	2.84	2.97	3.29	4.27	3.92	3.14	2.97	2.97
High 1942	2.14	3.39	2.88	3.02	3.33	4.37	4.05	3.19	3.02	3.02
Low 1942	1.93	3.30	2.79							

### Selected Income And Balance Sheet Items Class I Railways For October

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

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

Income Items—	All Class I Railways		All Class I Railways	
	For the Month of October 1942	1941	For the Ten Months of 1942	1941
Net ry. operat. income	\$184,680,005	\$94,047,045	\$1,159,921,256	\$850,021,278
Other income	12,980,585	12,874,888	124,881,262	124,158,775
Total income	197,660,590	106,921,933	1,284,802,458	974,180,053
Miscellaneous deductions from income	4,550,131	2,242,572	28,727,186	23,191,606
Income available for fixed charges	193,110,459	104,679,361	1,256,075,272	950,988,447
Fixed charges:				
Rent for leased roads and equipment	18,265,433	10,145,173	153,082,051	130,210,246
Interest deductions	36,842,594	38,701,096	369,478,631	386,813,476
Other deductions	121,982	116,115	1,182,666	1,186,895
Total fixed charges	55,230,009	48,962,384	523,743,348	518,210,617
Inc. after fixed charges	137,880,450	55,716,977	732,331,924	432,777,830
Contingent charges	2,342,175	1,559,052	23,101,039	15,451,629
Net income	135,538,275	54,157,925	709,230,885	417,326,201
Depreciation (way and structures and equip.)	23,233,861	17,814,840	207,260,805	179,726,762
Amortization of defense projects	8,629,145	1,822,103	65,710,086	2,096,908
Federal income taxes	84,878,655	14,577,479	634,384,706	159,813,030
Dividend appropriations:				
On common stock	9,075,547	2,266,668	87,629,602	83,452,632
On preferred stock	6,375,080	2,014,229	25,773,745	19,681,072
Ratio of income to fixed charges	3.50	2.14	2.40	1.84

Selected Asset Items—	All Class I Railways		Class I Railways Not in Receivership or Trusteeship	
	Balance at End of October 1942	1941	Balance at End of October 1942	1941
Investments in stocks, bonds, etc., other than those of affiliated companies	\$499,535,733	\$549,818,905	\$478,597,140	\$499,635,942
Cash	\$1,066,958,777	\$851,670,434	\$795,429,592	\$667,998,314
Temporary cash investments	603,696,667	178,775,439	530,575,342	166,406,855
Special deposits	139,743,069	229,305,816	93,155,777	176,828,330
Loans and bills receivable	985,170	1,262,103	934,423	1,060,505
Traffic and car-service balances (Dr.)	40,114,587	37,927,311	33,303,732	34,907,742
Net balance receivable from agents and conductors	145,252,435	77,541,974	118,858,016	63,669,780
Miscellaneous accounts receivable	400,647,661	174,590,948	318,337,265	135,564,838
Materials and supplies	515,739,830	424,588,199	415,534,561	341,946,292
Interest and dividends receivable	24,084,793	22,966,449	22,512,309	21,027,398
Rents receivable	1,451,327	1,587,354	1,095,612	1,171,079
Other current assets	14,266,616	10,639,340	10,844,662	9,285,841
Total current assets	2,952,940,932	2,010,855,347	2,340,581,291	1,619,866,974
Selected Liability Items—				
Funded debt maturing within six months	\$159,951,151	\$127,446,989	\$127,701,103	\$105,745,687
Loans and bills payable	32,288,950	\$56,883,442	\$1,925,300	\$2,371,613
Traffic and car-service balances (Cr.)	114,533,872	63,147,091	77,507,606	45,866,244
Audited accounts and wages payable	325,887,574	286,068,224	262,359,545	232,810,430
Miscellaneous accounts payable	66,885,175	45,663,201	47,929,962	33,300,944
Interest matured unpaid	47,653,751	33,617,508	34,543,800	29,308,739
Dividends matured unpaid	2,284,392	1,810,939	1,932,129	1,458,630
Unmatured interest accrued	80,139,025	79,687,474	67,919,230	65,972,302
Unmatured dividends declared	20,965,237	5,957,822	20,965,237	5,957,822
Unmatured rents accrued	27,098,596	26,878,782	24,624,039	24,828,953
Accrued tax liability	932,167,963	384,825,243	848,523,258	342,188,398
Other current liabilities	63,938,929	48,835,487	49,330,371	35,685,816
Total current liabilities	1,713,843,464	1,033,375,213	1,437,560,477	819,749,891
Analysis of accrued tax liability:				
U. S. Government taxes	788,901,121	251,256,060	732,742,547	235,062,457
Other than U. S. Government taxes	143,266,842	133,569,183	115,780,711	107,125,941

\*Represents accruals, including the amount in default. †For railways not in receivership or trusteeship the net income was as follows: October, 1942, \$108,654,892; October, 1941, \$49,935,438; for the ten months ended October, 1942, \$573,335,489; ten months ended October, 1941, \$398,264,045. ‡Includes payments of principal of long-term debt (other than long-term debt in default) which will become due within six months after close of month of report. §For railways in receivership and trusteeship the ratio was as follows: October, 1942, 3.16; October, 1941, 1.40; ten months, 1942, 2.13; ten months, 1941, 1.21. ¶Includes obligations which mature not more than two years after date of issue.

### Steel Production At High Pressure Activity— Order Books Healthier—Expansion Under Way

"Starting its third successive year of high pressure activity, the steel industry's ingot production this week is averaging 99%; contrasted with 96.5% one year ago and 97% at the start of 1941," says "The Iron Age" in its issue to today (Jan. 7), further adding in part: "The gain is impressive considering the higher capacity now prevailing.

"With much of the questionable tonnage cleared away, steel order books at the start of 1943 are much healthier than at any time since war began in Europe. Ton-nages booked during December showed a gain over November, with steel plate orders very heavy. Rail orders have begun coming through. First quarter PRP requirements are exceptionally heavy, especially in alloy steel. The tool steel production picture is much better than at any time since war started.

"Tin plate mills, which oper-

### Weekly Statistics Of Paperboard Industry

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

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

STATISTICAL REPORTS—ORDERS, PRODUCTION, MILL ACTIVITY

Period	Orders Received Tons	Production Tons	Unfilled Orders Remaining Tons		Percent of Activity	
			Current	Cumulative	Current	Cumulative
1942—Week Ended—						
Sept. 5	129,486	124,580	218,539	78	87	
Sept. 12	106,933	101,891	222,636	65	86	
Sept. 19	138,477	132,212	228,355	81	86	
Sept. 26	129,503	131,173	224,926	78	86	
Oct. 3	144,506	133,513	236,208	80	86	
Oct. 10	147,437	131,961	248,026	80	86	
Oct. 17	152,644	134,197	261,871	79	85	
Oct. 24	150,133	136,249	275,139	81	85	
Oct. 31	138,423	138,262	272,006	84	85	
Nov. 7	157,919	138,492	291,780	84	85	
Nov. 14	147,815	137,355	301,088	83	85	
Nov. 21	146,335	133,188	310,439	83	85	
Nov. 28	136,655	124,461	321,885	77	85	
Dec. 5	150,132	130,761	340,203	82	85	
Dec. 12	151,885	137,856	350,011	84	85	
Dec. 19	136,363	134,383	350,012	85	85	
Dec. 26	118,063	113,600	352,854	72	84	

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

cial civilian" category and mills are anxious to start rolling in order to ease the load later in 1943.

"As the year opens, a substantial gain is expected in the production of alloy steel, where demand at the close of 1942 was still months ahead of shipments, despite the fact that alloy steel production rose to 13% of total steel production of 86,200,000 net tons. New electric steel capacity and an increase in alloy steel output by open hearth furnaces will take place in 1943. Steel companies which have not made alloy steel previously in open hearths are preparing to do so at the request of WPB. Additional production of alloy steel may add to the strain on finishing facilities. Rolling mill capacity which previously only handled carbon steel may be adapted to alloy steel.

"Like the transformation of the continuous strip mills which became plate mills in 1942, this year will see structural mills switch to the rolling of large rounds needed in the armament program. The new year also will see the Pacific Coast become increasingly important in the steel picture.

"Bessemer converters will be utilized to a greater extent in 1943. During 1942, there was an upward trend in the utilization of blown metal from bessemer converters. The trend started a few years ago in the using of bessemer blown metal in duplexing, synthetic scrap making and partial duplexing.

"Two of the problems which have been ever-present since war began can be expected to remain potentially dangerous this year—the scrap supply situation and the lack of balance in the armament program.

"At Washington a decision has been reached that production scheduling on a national scale is the best step that can be taken now toward winning the war. The kind of scheduling that industry may expect has not been spelled out yet by the war agencies, although the principle of scheduling is adopted by all Government agencies concerned in the new Controlled Materials Plan.

"The fact that CMP has not proceeded more rapidly is a source of chagrin to many executives who feel that it may not be possible to get the plan into full operation by July. During second quarter of 1943 only a very small section of industry may be actually operating under CMP."

The American Iron and Steel Institute on Jan. 4 announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 91% of the steel capacity of the industry will be 97.0% of capacity for the week beginning

Jan. 4, compared with 98.2% one week ago, 98.6% one month ago and 93.8% one year ago. This represents a decrease of 1.2 point or 1.2% from the preceding week. The operating rate for the week beginning Jan. 4 is equivalent to 1,659,400 tons of steel ingots and castings, compared to 1,679,900 tons one week ago, 1,686,700 tons one month ago, and 1,592,700 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on Jan. 4 stated in part: "Entering a year scheduled to see the greatest expansion in capacity ever attempted, the steel industry is set to accomplish goals that seemed fantastic a year ago.

"The program for 1943 includes an increase of 6,833,000 tons of steel ingots over the capacity in December, 1942, to a total of 97,115,000 tons. This is a growth of 10,290,000 tons over January, 1942. Blast furnace capacity is planned to rise to 70,850,000 tons by the end of August, 1943, against 64,440,000 tons at the end of December, 1942, an increase of 6,410,000 tons.

"To accomplish this immense production necessitates a correspondingly larger supply of raw materials and plans are being laid to provide these. Ore, coke and limestone tonnage is being increased in step with steelmaking capacity.

"To match heavy war demand to this enlarged output War Production Board is putting into effect its new Controlled Materials Plan, which is expected to achieve a better balance than has been possible under other plans.

"At the turn of the year buying is relatively light because of shifts in character of war demand and imminence of the new plan of distribution. Pressure for many forms of steel continues heavy but for those under restrictions volume is light. Indications are that an intensified production to support the war will call for greatly enlarged output of many steel products while further curtailing some of those now being held near a minimum.

"Shipbuilding promises to hold its place as a leading consumer and output of plates for ships and fittings is expected to be larger than it has been in the past year. Airplane and other war equipment programs are to be greatly increased and the steel industry will feel the impact of demand to feed the enlarged manufacturing capacity.

"Current demand is well sustained, with improvement expected in January. Some accumulation of inquiry has been made and with PRP quotas coming out more freely heavier releases may be expected.

"While scrap supply is not too

plentiful in face of winter weather and shortage of labor some soft spots have developed in grades not in demand at points of origin, which must be shipped some distance to consumers in need. In such instances shading has been done to move the material. This is not widespread and does not betoken a weak market. In general, supply is sufficient for current needs and many consumers have several weeks supply in reserve, though not sufficient in most cases to tide over until cold weather is past and collections are enlarged. Meanwhile, government salvage agencies continue campaigns to obtain dormant scrap from sources requiring special treatment to make it available. Ton-nages resulting from the autumn household collection are being worked over and much of this is being supplied to melters along with industrial scrap resulting from manufacturing operations.

"Restrictions on building are reflected increasingly in statistics of the fabricating industry. American Institute of Steel Construction reports November bookings were 45,972 tons, compared with 184,043 tons in November, 1941. Shipments in November were 127,052 tons, compared with 182,593 tons the preceding year. However, fabricators have 566,581 tons available for future fabrication.

"Prices start the new year with composites at the same level as a year ago, frozen by the Office of Price Administration."

### US and Brazil Sign On Rubber Agreement

An agreement between the United States and Brazil was signed in Rio de Janeiro on Dec. 22 calling for a 1943 export of 50,000 tons of Brazilian rubber for North American war production.

According to Associated Press advices from Rio de Janeiro, an authorized spokesman said the agreement assured a steadily increasing flow of rubber to United States industry, adding that present war needs were so pressing that there virtually was no hope of Argentina pushing through an exchange plan. From the same advices we quote:

"Thousands of workers will be rushed into the Amazon interior, using all means of transport, to increase rubber production further.

"The accord was signed in the office of Interim National Economic Coordinator Joao Carlos Vital and provides for transporting 50,000 laborers to Amazonia by May 1, 1943, and 100,000 by the end of the year.

"Planes, trains, canoes, trucks, steamships and foot marches will be employed to transport them over the 2,000-mile distance from the Northeastern Brazilian States where the workers will be assembled to the Amazon interior where wild rubber grows in abundance.

"The production is based on an estimated two workers to each ton of rubber produced annually.

"The agreement was signed as Argentine Ambassador Adrian Escobar arrived by air after a month's stay in Buenos Aires bearing a proposal to exchange 8,000 cubic meters of Argentine-refined gasoline for an annual export of some 2,000 tons of Brazilian rubber to Argentina.

"Argentine sources argued such an agreement would relieve the present United States obligation to furnish Brazil gasoline and aid in solving the tanker shortage problem, but authorized North American and Brazilian spokesmen insisted the Argentine plan would not be realized 'because every ounce of exportable Brazilian rubber is going to the United States according to a previous agreement.'"

### Automobile Financing And Diversified Financing For Month Of November

In November, 1942, the number of new passenger cars financed by sales finance companies was off 42% from the number in October of this year, according to an announcement released on Dec. 31, J. C. Capt, Director of the Census. The dollar volume of paper acquired in new passenger car financing was off 40%. In used passenger car financing, the number of cars decreased 16%, and the dollar volume of paper acquired, 17%. Compared with the preceding month, the number of new commercial cars financed was 24% less in November and the dollar volume of paper acquired, 16%. The number of used commercial cars financed decreased 23%, while the dollar volume of paper acquired was off 22%.

The volume of retail automotive outstandings held by sales finance companies was 13% less as of Nov. 30, than as of Oct. 31, 1942. The index was 157 at the end of November, 1941, but dropped to 44 at the end of this November.

Wholesale automotive paper acquired during November, 1942, by sales finance companies declined 18% in volume from October of this year for new passenger and new commercial cars, while the volume for used passenger and used commercial cars fell off 51%. The volume of outstanding balances for this type of paper decreased 5% from Oct. 31, 1942 to Nov. 30, 1942.

A comparison of the retail diversified financing by sales finance companies during November, 1942, with their respective volumes recorded in October of this year showed decreases for all types for which data are shown: 11% for radios and other musical instruments; 14% for furniture; 19% for other household appliances; 23% for residential building repair and modernization; and 26% for industrial, commercial, and farm equipment. The volume of wholesale diversified paper acquired in November was 43% below that reported for October.

As of Nov. 30, 1942, compared with Oct. 31, 1942, the volume of diversified outstanding balances held by sales finance companies decreased 7% for the retail financing of other consumers' goods; 42% for industrial, commercial, and farm equipment; and 29% for wholesale diversified financing (other than automotive).

The ratios of the paper acquired during November, 1942, to the outstanding balances as of Nov. 30, 1942, were 3% for retail automotive, 4% for wholesale automotive, 13% for wholesale—other than automotive, 4% for retail—other consumers' goods, and 4% for industrial, commercial, and farm equipment.

These data on the current trends of sales financing during November, 1942, were based on reports from 250 sales finance companies, and the dollar volumes should not be used to measure the total amount of financing by all sales finance companies in the United States. The data are published as reported without adjustment for seasonal or price fluctuations. The figures presented in tables below are not comparable to those published for previous months since monthly reports have not been received each month from identical sales finance companies. All indexes for November were obtained by calculating the percent changes from October to November, as shown by data on reports for both months from the same sales finance companies, and by linking these percentages to the indexes previously derived for October, 1942.

#### Sales—Finance Companies

##### AUTOMOTIVE AND DIVERSIFIED FINANCING

Volume of Paper Acquired During November, 1942 and Balances Outstanding November 30, 1942

Class of Paper—	Volume of paper acquired during November, 1942		Outstanding balances Nov. 30, 1942†	Ratio of paper acquired to outstanding balances‡
	By all companies	By companies reporting outstanding balances†		
Total retail automotive	\$12,841,270	\$12,479,442	\$360,119,047	3
Total wholesale automotive	6,754,541	6,695,236	188,135,898	4
Total wholesale—other than automotive	314,932	291,183	2,224,315	13
Total retail—other consum. goods	6,250,661	6,079,822	151,565,940	4
Industrial, commercial and farm equipment	292,106	280,733	6,898,430	4
Total sales financings	\$26,453,510	\$25,826,416	\$708,943,630	4

†Data are based on figures from sales finance companies able to report both their paper acquired and their outstanding balances.

‡Ratios obtained by dividing paper acquired (column 2) by outstanding balances (column 3).

##### AUTOMOTIVE FINANCING \*

Number of Cars Financed and Volume of Paper Acquired During November, 1942

Class of Paper—	Number of cars		Paper acquired	
	Number	% of total	Dollar Volume	% of total
Total retail automotive	30,826	100	†\$12,630,101	100
New passenger cars	1,553	5	1,304,278	10
New commercial cars	148	1	211,948	2
Used passenger cars	28,075	91	10,591,410	84
Used commercial cars	1,050	3	522,465	4
Total wholesale automotive	—	—	†\$6,239,808	100
New cars (passenger and commercial)	—	—	4,561,222	73
Used cars (passenger and commercial)	—	—	1,678,586	27

\*Data are based on reports from sales finance companies providing a breakdown of their retail and wholesale automotive financing. †These amounts are less than those reported in above table due to the exclusion of some data for which breakdowns were not available.

##### DIVERSIFIED FINANCING \*

Volume of Paper Acquired During November, 1942

Class of Paper	Dollar Volume	% of total
Furniture	\$339,713	10
Radios, pianos & other musical instruments	70,554	2
Refrigerators (gas and electric)	121,903	4
Other household appliances	91,835	3
Residential building repair and modernization	1,362,222	42
Miscellaneous retail	649,995	20
Total retail—other consumers' goods	†\$2,638,222	81
Total wholesale—other than automotive	314,932	10
Industrial, commercial, and farm equipment	292,106	9
Total diversified financing	\$3,243,260	100

\*Data are based on reports from sales finance companies providing a breakdown of their retail financing of other consumers' goods. †This amount is less than that reported in first table due to the exclusion of some data for which breakdowns were not available.

### Wholesale Commodity Prices Advanced 0.5% During Dec. 26 Week, Labor Bureau Reports

The Bureau of Labor Statistics, U. S. Department of Labor, announced on Dec. 31, that continued advances in primary market prices for farm commodities, particularly livestock, poultry and grains, caused the Bureau's comprehensive index of nearly 900 price series to rise one-half of 1% during the week ended Dec. 26. At 101.2% of the 1926 average the all-commodity index is more than 1% higher than at this time last month.

The Bureau's announcement further said: "Farm Products and Foods.—Average prices for farm products in primary markets reached the highest level in 22 years during the past week. Livestock and poultry rose 4.4% with quotations for cows up about 5%; hogs and ewes, 3%; and lambs and steers, approximately 2%. Quotations were also substantially higher for live poultry. Grains advanced 1.6% as a result of increases of nearly 2% for corn, oats, rye, and wheat, and barley was up 1%. In addition, higher prices were reported for cotton, flaxseed, apples and sweet potatoes. Quotations were lower for citrus fruits and for potatoes in the Chicago market. In the past month farm product prices have risen 4% and are nearly 21% higher than at the end of last year.

"Led by an advance of 2% for meats, average prices for foods rose 0.4% to the highest point since the Autumn of 1928. Lamb advanced nearly 8%; fresh beef at New York, 6.5%; and dressed poultry at Chicago and New York, 3.4 and 5.1% respectively. A decline of 9% was reported in prices for mutton and quotations for oatmeal dropped 2.4%. Prices for foods in primary markets are up 1% over a month ago and are 14.7% higher than for the last week in December, 1941.

"Industrial Commodities.—Quoted prices for most industrial commodities continued steady. Linseed oil, oleic acid and box-board advanced while rosin and butyl acetate declined."

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 3 weeks, for Nov. 28, 1942 and Dec. 27, 1941, and the percentage changes from a week ago, a month ago, and a year ago:

Commodity groups	(1926=100)			Percentage changes to Dec. 26, 1942 from—		
	12-26 1942	12-19 1942	12-12 1942	12-27 1941	12-19 1941	12-27 1941
All commodities	101.2	100.7	100.5	100.1	93.8	+0.5 +1.1 +7.9
Farm products	115.2	113.3	112.0	110.8	95.5	+1.7 +4.0 +20.6
Foods	104.6	104.2	104.0	103.6	91.2	+0.4 +1.0 +14.7
Hides and leather products	118.4	118.4	118.4	118.4	115.6	0 0 +2.4
Textile products	96.6	96.6	96.6	96.6	91.5	0 0 +5.6
Fuel and lighting materials	79.9	79.9	80.0	79.7	79.0	0 +0.3 +1.1
Metals and metal products	103.9	103.9	103.9	103.9	103.4	0 0 +0.5
Building materials	110.0	110.0	110.0	110.2	108.1	0 -0.2 +1.8
Chemicals and allied products	99.5	99.5	99.5	99.5	91.7	0 0 +8.5
Housefurnishing goods	104.1	104.1	104.1	104.1	102.3	0 0 +1.8
Miscellaneous commodities	90.4	90.4	90.3	89.9	87.4	0 +0.6 +3.4
Raw materials	106.6	105.4	104.7	103.7	92.5	+1.1 +2.7 +15.2
Semimanufactured articles	92.4	92.5	92.5	92.5	90.2	-0.1 -0.1 +2.4
Manufactured products	100.1	99.8	99.8	99.7	95.2	+0.3 +0.4 +5.1
All commodities other than farm products	98.2	98.0	98.0	97.8	93.4	+0.2 +0.4 +5.1
All commodities other than farm products and foods	96.2	96.2	96.2	96.1	93.9	0 +0.1 +2.4

\*Preliminary.

### National Fertilizer Association Commodity Price Average Again Higher

There was another advance in the general level of wholesale commodity prices last week, according to the price index compiled by The National Fertilizer Association and made public on Jan. 4. This index in the week ended Jan. 2 advanced to 132.4% of the 1935-1939 average. The index was 132.2 in the preceding week, 130.6 a month ago and 120.0 a year ago. The Association's report added:

The rise in the all-commodity index was due principally to advances in food and farm product quotations. The index of industrial commodities remained at the same level as in the preceding week. Higher prices for butter were chiefly responsible for the advance in the food price index. Although livestock prices receded, cotton and grain quotations continued to move upward, resulting in a further rise in the farm product price index. The textile index advanced to the highest point reached since May. The only group average to register a decline was the miscellaneous commodities index which fell off slightly, due to lower cattle feed prices.

During the week 7 price series included in the index advanced and 5 declined; in the preceding week there were 9 advances and 3 declines; in the second preceding week there were 16 advances and 3 declines.

##### WEEKLY WHOLESALE COMMODITY PRICE INDEX

Compiled by The National Fertilizer Association  
[\*1935-1939=100]

% Each Group	Group	Latest Week	Preceding Week	Month Ago	Year Ago
25.3	Foods	136.3	135.8	134.1	116.3
	Fats and Oils	150.2	148.8	147.0	122.8
	Cottonseed Oil	164.7	164.7	160.0	144.5
23.0	Farm Products	147.5	147.0	142.1	126.2
	Cotton	190.5	187.9	182.5	168.8
	Grains	130.9	128.7	117.7	116.2
	Livestock	144.3	144.8	141.2	120.0
17.3	Fuels	119.3	119.3	119.3	113.0
10.8	Miscellaneous commodities	129.4	129.5	128.4	126.6
8.2	Textiles	149.6	149.2	148.4	142.7
6.1	Metals	104.4	104.4	104.4	104.0
6.1	Building materials	151.4	151.4	151.3	131.5
1.3	Chemicals and drugs	127.6	127.6	127.6	120.1
1.3	Fertilizer materials	117.6	117.6	117.5	116.4
1.3	Fertilizers	115.3	115.3	115.3	119.7
1.3	Farm machinery	104.1	104.1	104.1	103.4
100.0	All groups combined	132.4	132.2	130.6	120.0

\*Indexes on 1926-1928 base were Jan. 2, 1943, 103.1; Dec. 26, 1942, 103.0; Jan. 3, 1942, 93.5.

### War Ration Book Two Is Now On The Presses

Eighteen printing plants scattered across the nation are rolling in full production on War Ration Book Two, the Office of Price Administration announced on Dec. 20. War Ration Book Two, which will introduce the point rationing system to the American people, will be distributed soon after the first of the year.

The OPA's announcement further said:

"The Government Printing Office, which handles OPA's printing jobs, considers the printing of 150,000,000 copies of War Ration Book Two to be the biggest job of its kind in the history of the country, if not of the world. And after the books are printed they have to be distributed to every nook and cranny of this vast land. These immense printing and distribution requirements are in themselves an important reason why rationing programs cannot be put into effect overnight.

"Before the books could be printed at all, 96 carloads of special safety paper had to be ordered, manufactured and shipped to the plants which are doing the job. This safety paper will prove a real headache to anyone foolish enough to try to counterfeit ration books. The paper used in the books can be quickly identified by any one of a number of simple secret tests that even an unskilled person can apply, if he knows the technique. It took 30 days to get this paper manufactured and shipped.

"Arranging for the actual printing of the books was an even greater task than getting the special paper. There are 192 ration stamps in each book. Multiply that by 150,000,000 books and you get almost 30,000,000,000 stamps—a figure which happens to exceed twelve years' continuous production of all the postage stamps used in the United States.

"A job like that could not possibly be handled on Government presses within the 60 days allowed for printing and distribution of War Ration Book Two. So the Government Printing Office scoured the nation to find printers who could handle the job on a rush basis. It found that only 18 printers could show the capacity and were willing to produce the books in volume and even then some had to get special equipment, for the books must be printed on a press that will print, perforate and number them in a continuous operation. The first books came off the press back in November and now that the job is running, the completed books are rolling off the presses in plants in some cities at a rate as fast as 500,000 a day.

"The cities which share in the job are: Waltham, Mass.; Niagara Falls, N. Y.; Tuckahoe, N. Y.; New Rochelle, N. Y.; Hoboken, N. J.; Scranton, Pa.; Pittsburgh, Pa.; Franklin, Pa.; Baltimore, Dayton, Ohio; Norwalk, Ohio; Shelby, Ohio; Chicago (two plants); Houston, Tex.; Minneapolis, Oakland, Calif., and Los Angeles.

"As the completed books roll off the presses, they are bundled and started on their trip to the 5,500 War Price and Rationing Boards throughout the country. Altogether, shipping the books will take up the equivalent of four freight trains of 30 cars each. Distribution should be completed during January, but in connection with distribution, it is well to remember that OPA, like everyone else, is affected by the transportation shortages. If a shipment of military supplies needs the freight train that is loaded with Ration Books, OPA unloads and waits, even if it means postponing a rationing program."

## Trading On New York Exchanges

The Securities and Exchange Commission made public on Dec. 28, 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 Dec. 12, 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 Dec. 12 (in round-lot transactions) totaled 799,175 shares, which amount was 11.15% of total transactions on the Exchange of 3,582,120 shares. This compares with member trading during the previous week ended Dec. 5 of 841,895 shares, of 13.15% of total trading of 3,199,560 shares. On the New York Curb Exchange, member trading during the week ended Dec. 21 amounted to 201,660 shares, or 14.22% of the total volume of that Exchange of 705,635 shares; during the preceding week trading for the account of Curb members of 170,880 shares was 15.10% of total trading of 598,760 shares.

The Commission made available the following data for the week ended Dec. 12:

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.....	954	657
1. Reports showing transactions as specialists.....	169	91
2. Reports showing other transactions initiated on the floor.....	125	29
3. Reports showing other transactions initiated off the floor.....	178	84
4. Reports showing no transactions.....	555	528

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 DEC. 12, 1942		
A. Total Round-Lot Sales:	Total for Week	†Per Cent
Short sales.....	51,350	
†Other sales.....	3,530,770	
Total sales.....	3,582,120	
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.....	231,790	
Short sales.....	33,350	
†Other sales.....	177,180	
Total sales.....	210,530	6.17
2. Other transactions initiated on the floor—		
Total purchases.....	106,750	
Short sales.....	4,230	
†Other sales.....	80,370	
Total sales.....	84,600	2.67
3. Other transactions initiated off the floor—		
Total purchases.....	79,765	
Short sales.....	4,800	
†Other sales.....	80,940	
Total sales.....	85,740	2.31
4. Total—		
Total purchases.....	418,305	
Short sales.....	42,380	
†Other sales.....	338,490	
Total sales.....	380,870	11.15

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

WEEK ENDED DEC. 12, 1942		
A. Total Round-Lot Sales:	Total for Week	†Per Cent
Short sales.....	4,845	
†Other sales.....	700,790	
Total sales.....	705,635	
B. Round-Lot Transactions for the Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases.....	53,460	
Short sales.....	4,670	
†Other sales.....	71,905	
Total sales.....	76,575	9.22
2. Other transactions initiated on the floor—		
Total purchases.....	11,175	
Short sales.....	25	
†Other sales.....	8,150	
Total sales.....	8,175	1.37
3. Other transactions initiated off the floor—		
Total purchases.....	40,670	
Short sales.....	50	
†Other sales.....	10,555	
Total sales.....	10,605	3.63
4. Total—		
Total purchases.....	105,305	
Short sales.....	4,745	
†Other sales.....	90,610	
Total sales.....	95,355	14.22
C. Odd-Lot Transactions for the Account of Specialists—		
Customers' short sales.....	0	
†Customers' other sales.....	65,380	
Total purchases.....	65,380	
Total sales.....	21,112	

\*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—Trade Agreement With Mexico Reduces Duty For Lead And Zinc

**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 Dec. 31, stated: "Though the market for non-ferrous metals was inactive during the holiday week, producers of lead, zinc, molybdenum, and fluorspar had much to think about in the reduction in the import duties of those metals and minerals under the Mexican trade pact signed in Washington on Dec. 23. The lower rates are meaningless as a price factor under war conditions, but soon after the emergency ends producers will be forced to make necessary adjustments to face the changed conditions, particularly in reference to lead. Beginning Dec. 28, domestic antimony, ex warehouse New York, carries the 3% transportation tax, establishing the cost of the product to the buyer at a slightly higher level." The publication further went on to say:

**Copper**  
"Though demands for copper remain high, tension in the market as the year ended was not so great as earlier in the year, owing to the forced sharp contraction in non-essential consumption of the metal. Quotations for the week on both domestic and foreign metal continued unchanged.

**Lead**  
"Under the trade agreement with Mexico the import duty on lead will be reduced 50% and will remain at the new level until 30 days after the termination of the national emergency, at which time the duty will be established at 20% below the rates set in the Tariff Act of 1930.

"The present rates of duty for lead compare with those that will become effective in 30 days after Dec. 23, under the Mexican agreement, as follows:

	Act of 1930	(a) Mex. Agreement
Lead bullion, pigs, etc.	2.125c.	1.0625c.
Lead in ore.....	1.500c.	0.7500c.

(a) After the termination of the unlimited national emergency, the rate shall be 1.7c. per pound for lead in bullion, pigs, etc., and 1.2c. for lead contained in ore, flue dust, and matte.

"Lead producers in this country were disturbed about the reduction in the import tariff. The lower duty carries no weight at present, because all of the metal coming into the country from foreign sources is owned by the Metals Reserve Co., the Government's procurement agency, and there is no pressure on prices because the surplus is being stockpiled against emergency needs. However, when the national emergency finally ends, the domestic lead industry will face a 20% reduction in the rates established under the Tariff Act of 1930.

"Quotations showed no change.

**Zinc**  
"The trade agreement with Mexico, signed on Dec. 23 lowers the import duty on slab zinc and zinc contained in ore 50% from the rates imposed under the Tariff Act of 1930. This action establishes the duty at an even lower level than that arrived at in an earlier trade agreement with Canada.

"The tariff rates under the Tariff Act of 1930, the present rates established under the Canadian agreement late in 1938, and the new rates imposed under the Mexican accord, in cents per pound, follow:

	Canadian Act of 1930	(a) Mex. Agreement
Zinc, slab.....	1.75c.	1.40c.
Zinc in ore.....	1.50c.	1.20c.
Zinc sheets.....	2.00c.	1.000c.
Zinc dross, etc.....	1.50c.	0.750c.
Zinc oxide.....	1.75c.	1.100c.
Zinc sulphate.....	0.75c.	0.500c.

(a) New rates effective 30 days after proclamation. After "termination of the unlimited national emergency," the duties on slab zinc, zinc contained in ore, dross, and sheets will revert to duties now in effect (1.40c. on slab zinc and 1.20c. for zinc contained in ore).

"Under war conditions, with import duties on strategic metals

## NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Dec. 28 a summary for the week ended Dec. 19, 1942, of complete figures showing the daily volume of stock transactions for the odd-lot account of all odd-lot dealers and specialists who handle odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures, which are based upon reports filed with the Commission by the odd-lot dealers and specialists, are given below:

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

Week Ended Dec. 19, 1942

Odd-Lot Sales by Dealers: (Customers' Purchases)	Total for Week
Number of Orders.....	19,296
Number of Shares.....	560,000
Dollar Value.....	19,768,278

Odd-Lot Purchases by Dealers: (Customers' Sales)	Total for Week
Number of Orders:	
Customers' short sales.....	123
Customers' other sales.....	25,964
Customers' total sales.....	26,087

Number of Shares:	
Customers' short sales.....	3,221
Customers' other sales.....	712,580
Customers' total sales.....	715,801
Dollar Value.....	18,303,147

Round-Lot Sales by Dealers:	Total for Week
Number of Shares:	
Short sales.....	160
†Other sales.....	276,960
Total sales.....	277,120

Round-Lot Purchases by Dealers:	Total for Week
Number of Shares.....	132,280

\*Sales marked "short exempt" are reported with "other sales." †Sales to offset customers' odd-lot orders, and sales to liquidate a long position which is less than a round lot are reported with "other sales."

## FDR Praises Canada For Air Training Plan

President Roosevelt paid tribute on Dec. 21 to Canada on the occasion of the third anniversary of the signing of the British Commonwealth air training agreement.

In a letter to Prime Minister W. L. Mackenzie King, made public in Ottawa, the President said that the plan "has been to a great extent Canada's responsibility and Canada's achievement."

The President's letter, as given in Canadian Press accounts from Ottawa, follows:

"I have been requested to send a word of greeting on the third anniversary of the signing of the British commonwealth air training agreement.

"This I am glad to do, for this agreement embodied one of the grand conceptions of this war, grand both in design and execution. It is a privilege for me to pay tribute to Canada on such an occasion, for the plan has been to a great extent Canada's responsibility and Canada's achievement.

"Before Pearl Harbor hundreds of our American youth, eager to share in the fight against brutal aggression, flocked to Canada, joined the RCAF, went through the training plan and qualified as air crews.

"Last December Canada, with generosity and understanding, made the way easy for the return of these fine young men to fight under their own flag if they so desired. But wherever they fight or whatever uniform they wear, they are all playing a noble part in the common struggle.

"May this great air training plan, which, as I once said on another occasion, has made Canada the airdrome of democracy, go from strength to strength.

"May it continue to send into the skies thousands of eager and courageous young fliers, until the enemy is swept from the air and lies crushed beneath the ruins of his own temple of tyranny."

exerting no influence on the domestic market, interest in the lower tariff centered chiefly in the post-war outlook.

"The price situation in zinc last week was unchanged.

**Molybdenum**  
"The trade treaty with Mexico lowers the import duty on molybdenum ore and concentrate 50% to 17½c. per pound of Mo contained.

**Fluorspar**  
"Under the trade agreement with Mexico the import duty on fluorspar containing more than 97% of calcium fluoride has been lowered from \$5.60 per ton to \$4.20 per ton. The duty on fluorspar containing not more than 97% calcium fluoride was reduced from \$8.40 per ton to \$6.30.

**Tin**  
"Mine workers who had been on strike in the Catavi district of Bolivia since Dec. 14, returned to their jobs on Dec. 26, according to press advices from La Paz. Negotiations for final settlement of the labor difficulties are continuing and an agreement is expected soon.

"Straits quality tin for forward shipment was nominally as follows:

	Dec. 24	Jan.	Feb.	Mar.
Dec. 24.....	52.000	52.000	52.000	52.000
Dec. 25.....	—	Holiday	—	—
Dec. 26.....	52.000	52.000	52.000	52.000
Dec. 28.....	52.000	52.000	52.000	52.000
Dec. 29.....	52.000	52.000	52.000	52.000
Dec. 30.....	52.000	52.000	52.000	52.000

"Chinese tin, 99% grade, spot or nearby delivery, 51.125c. all week.

**Antimony**  
"Effective Dec. 28, our ex warehouse New York quotation for antimony includes the 3% freight tax. The leading interest now quotes 15c. per pound for the metal packed in cases of 224 lb., plus \$2.35 freight per case, on lots of 5 tons or more but less than a carload. This brings the total cost per pound of antimony on ex warehouse purchases in the quantities specified to 16.049c. per pound.

**Quicksilver**  
"Quicksilver was not mentioned in the Mexican trade agreement, which leaves the duty exactly where it has been for many years.

"The trade was surprised to learn to what extent the Government has been purchasing the metal. Statisticians translated \$7,521,000 expended for quicksilver into flasks and the result was interesting. Quotations in New York continued at \$196@198 per flask.

**Silver**  
"During the last week, the silver market in London has been quiet, with the price unchanged at 23½d.

"The New York Official and the Treasury prices are also unchanged at 44¼c. and 35c., respectively."

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

## Daily Average Crude Oil Production For Week Ended Dec. 26, 1942 Declined 10,800 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Dec. 26, 1942 was 3,880,700 barrels, a decrease of 10,800 barrels from the preceding week, and 200,150 barrels per day less than during the corresponding period in 1941. The current figure is also 135,200 barrels below the daily average figure for the month of December, 1942, as recommended by the Office of Petroleum Administration for War. Daily production for the four weeks ended Dec. 26, 1942, averaged 3,871,900 barrels. Further details as reported by the Institute follow:

Reports received from refining companies owning 85.8% of the 4,790,000 barrel estimated daily potential refining capacity of the United States, indicate that the industry as a whole ran to stills, on a Bureau of Mines' basis, 3,525,000 barrels of crude oil daily during the week ended Dec. 26, 1942, and that all companies had in storage at refineries, at bulk terminals, in transit and in pipe lines as of the end of that week, 80,228,000 barrels of finished and unfinished gasoline. The total amount of gasoline produced by all companies is estimated to have been 10,220,000 barrels during the week ended Dec. 26, 1942.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

District	*P.A.W. Recommendations December	*State Allowables Beginning Dec. 1	Actual Production		4 Weeks Ended Dec. 26 1942	Week Ended Dec. 27 1941
			Week Ended Dec. 26 1942	Change From Previous Week		
Oklahoma	403,900	403,900	354,850	- 2,300	356,350	419,650
Kansas	300,700	300,700	295,900	- 9,800	293,050	256,650
Nebraska	3,400		13,000		3,000	5,350
Panhandle Texas			93,200		92,950	88,050
North Texas			139,900		137,800	139,300
West Texas			209,300		208,950	291,600
East Central Texas			101,500		100,950	86,850
East Texas			358,600		358,350	369,100
Southwest Texas			174,000		174,250	216,200
Coastal Texas			313,650		313,350	292,250
<b>Total Texas</b>	<b>1,350,400</b>	<b>1,470,650</b>	<b>1,390,150</b>		<b>1,386,600</b>	<b>1,483,350</b>
North Louisiana			92,600	+ 2,450	91,950	82,200
Coastal Louisiana			223,000		223,050	277,800
<b>Total Louisiana</b>	<b>326,100</b>	<b>337,600</b>	<b>315,600</b>	<b>+ 2,450</b>	<b>315,050</b>	<b>360,000</b>
Arkansas	77,300	73,461	73,350	- 350	73,650	73,500
Mississippi	50,000		156,550	- 2,550	58,950	73,150
Illinois	274,100		234,800	- 4,200	244,000	393,400
Indiana	17,700		114,850	+ 150	15,450	19,950
Eastern (Not incl. Ill. & Ind.)	107,600		87,000	- 1,800	89,100	89,550
Michigan	63,800		59,900	+ 900	59,550	56,800
Wyoming	94,500		89,900	- 1,400	90,850	86,000
Montana	24,700		22,550	- 100	22,600	22,600
Colorado	7,000		6,950	+ 600	6,700	5,350
New Mexico	99,700		93,350		94,500	118,850
<b>Total East of Calif</b>	<b>3,200,900</b>		<b>3,098,600</b>	<b>-18,400</b>	<b>3,109,350</b>	<b>3,464,150</b>
California	815,000	815,000	782,100	+ 7,600	762,500	616,700
<b>Total United States</b>	<b>4,015,900</b>		<b>3,880,700</b>	<b>-10,800</b>	<b>3,871,900</b>	<b>4,080,850</b>

\*P.A.W. 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 September, 1942, as follows: Oklahoma 30,200; Kansas 5,100; Texas 104,900; Louisiana 20,500; Arkansas 3,000; Illinois 9,400; Eastern (not including Illinois and Indiana) 9,000; Michigan 100; Wyoming 2,400; Montana 300; New Mexico 6,000; California 42,400.

†Oklahoma, Kansas, Nebraska, Mississippi, Indiana figures are for week ended 7 a.m. Dec. 23.

‡This is the net basic allowable as of Dec. 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, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 9 days shut-down time during the calendar month. §Recommendation of Conservation Committee of California Oil Producers.

CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE AND GAS AND FUEL OIL, WEEK ENDED DEC. 26, 1942

(Figures in Thousands of Barrels of 42 Gallons Each)

District	Daily Refining Capacity	Crude Runs to Still	Crude % Re-ported	Crude Daily Average	Production at Refineries	Stocks of Gasoline	Stocks of Gasoline	Stocks of Gasoline	Stocks of Gasoline
*Combin'd: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana - Arkansas and Inland Texas	2,430	88.1	1,577	64.9	4,670	36,769	22,844	13,356	
Appalachian	176	84.8	153	86.9	424	2,741	744	462	
Ind., Ill., Ky.	804	84.9	684	85.1	2,203	14,636	5,606	2,049	
Okl., Kansas, Mo.	416	80.1	341	82.0	1,134	6,229	1,913	1,333	
Rocky Mountain	147	48.0	99	67.3	297	1,508	354	552	
California	817	89.9	671	82.1	1,492	18,345	12,338	55,210	
<b>Tot. U. S. B. of M. basis Dec. 26, 1942</b>	<b>4,790</b>	<b>85.8</b>	<b>3,525</b>	<b>73.6</b>	<b>10,220</b>	<b>180,228</b>	<b>43,799</b>	<b>72,962</b>	
<b>Tot. U. S. B. of M. basis Dec. 19, 1942</b>	<b>4,790</b>	<b>85.8</b>	<b>3,667</b>	<b>76.6</b>	<b>10,875</b>	<b>79,131</b>	<b>45,880</b>	<b>74,205</b>	
<b>U. S. Bur. of Mines basis Dec. 27, 1941</b>			<b>4,103</b>		<b>14,078</b>	<b>92,806</b>	<b>50,806</b>	<b>94,216</b>	

\*At the request of the Office of Petroleum Administration for War. †Finished 71,337,000 bbls.; unfinished 8,891,000 bbls. ‡At refineries, at bulk terminals, in transit, and in pipe lines.

## 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 Dec. 26—Christmas week—is estimated at 8,600,000 net tons, a decrease of 2,880,000 tons, or 25.1%, from the preceding week. Output during the Christmas week in 1941 amounted to 8,422,000 tons. The production of soft coal for the year to Dec. 26, 1942, shows an increase of 12.7% over the same period in 1941.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended Dec. 26 was estimated at 774,000 tons, a decrease of 340,000 tons (30.5%) from the preced-

ing week. When compared with the output in the corresponding week of 1941, there was a decrease of 97,000 tons, or 11.1%. The calendar year to Dec. 26 shows a gain of 6.3%.

The U. S. Bureau of Mines also reports that the estimated production of byproduct coke in the United States for the week ended Dec. 26 showed a decrease of 5,000 tons when compared with the output for the week ended Dec. 19. The quantity of coke from beehive ovens decreased 23,400 tons during the same period.

ESTIMATED UNITED STATES PRODUCTION OF COAL In Net Tons (000 omitted)

	Week Ended			January 1 to Date		
	Dec. 26, 1942	Dec. 19, 1942	Dec. 27, 1941	Dec. 26, 1942	Dec. 27, 1941	Dec. 25, 1937
Bituminous and lignite coal—	8,600	11,480	8,422	569,053	504,939	439,355
Total incl. mine fuel—	1,720	1,913	1,684	1,889	1,681	1,460
Daily average						

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

	Week Ended			Calendar Year to Date		
	Dec. 26, 1942	Dec. 19, 1942	Dec. 27, 1941	Dec. 26, 1942	Dec. 27, 1941	Dec. 28, 1929
Penn. anthracite—	774,000	1,114,000	871,000	59,217,000	55,729,000	73,227,000
*Total incl. colliery fuel	743,000	1,069,000	827,000	56,848,000	52,943,000	67,955,000
†Commercial production						
Beehive coke—						
United States total—	131,400	154,800	154,800	7,826,300	6,629,000	6,368,800
By-product coke—						
United States total—	1,218,900	1,223,900	1,218,900	61,228,900	57,358,000	59,593,800

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					Dec. ave. 1923
	Dec. 19, 1942	Dec. 12, 1942	Dec. 20, 1941	Dec. 21, 1940	Dec. 18, 1937	
Alaska	6	5	5	3	3	**
Alabama	3	3	3	3	3	**
Arkansas and Oklahoma	98	97	81	103	119	83
Colorado	188	191	166	202	192	253
Georgia and North Carolina	1	1	1	1	1	**
Illinois	1,331	1,335	1,289	1,298	1,417	1,535
Indiana	512	516	533	506	495	514
Iowa	64	62	75	88	100	121
Kansas and Missouri	200	193	171	190	183	159
Kentucky—Eastern	910	942	805	743	770	584
Kentucky—Western	305	305	247	227	262	204
Maryland	28	29	39	36	35	37
Michigan	7	8	9	8	12	21
Montana (bituminous and lignite)	116	111	80	75	69	64
New Mexico	38	39	30	30	33	56
North and South Dakota (lignite)	86	86	65	73	69	**27
Ohio	700	705	673	485	555	599
Pennsylvania (bituminous)	2,600	2,695	2,690	2,492	1,661	2,818
Tennessee	143	144	150	130	108	103
Texas (bituminous and lignite)	8	9	5	10	20	21
Utah	128	126	103	121	89	100
Virginia	382	395	389	311	272	193
Washington	52	50	39	46	38	57
West Virginia—Southern	2,125	2,174	2,187	1,743	1,619	1,132
West Virginia—Northern	860	863	798	666	568	692
Wyoming	202	201	156	164	142	173
Other Western States	11	11	11	11	11	**5
<b>Total bituminous and lignite</b>	<b>11,480</b>	<b>11,665</b>	<b>11,163</b>	<b>10,105</b>	<b>9,139</b>	<b>9,900</b>
<b>†Pennsylvania anthracite</b>	<b>1,119</b>	<b>1,101</b>	<b>1,094</b>	<b>1,187</b>	<b>1,216</b>	<b>1,806</b>
<b>Total all coal</b>	<b>12,599</b>	<b>12,766</b>	<b>12,257</b>	<b>11,292</b>	<b>10,355</b>	<b>11,706</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, Idaho, 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.

## Engineering Construction Gains Top Year Ago And Preceding Week

Engineering construction volume for the short week due to the early closing for the New Year holiday totals \$76,295,000, a gain of 129% over the volume for the short preceding week, and 39% above the total for the week ending Jan. 1, 1942, as reported by "Engineering News-Record" on Dec. 31. Private volume is almost six times as great as in the preceding week, but is 12% under the opening 1942 week's total. Public work tops a week ago by 123% and is 42% above a year ago as a result of the respective 111 and 98% increases in federal work. The report continued as follows:

Engineering construction for the 53 weeks of 1942, \$9,305,829,000 compares with \$5,868,699,000 for the 52-week period in 1941, an increase of 56% when adjusted for the difference in the number of weeks reported. Private construction, \$555,823,000, is 54% lower than a year ago on the weekly average basis, but public work, \$8,750,006,000, is 83% higher due to the 131% climb in federal construction.

Construction volumes for the opening 1942 week, last week and this week are:

	Jan. 1, 1942 (four days)	Dec. 24, 1942 (four days)	Dec. 31, 1942 (four days)
Total Construction	\$55,032,000	\$33,377,000	\$76,295,000
Private Construction	3,387,000	513,000	2,985,000
Public Construction	51,645,000	32,864,000	73,310,000
State and Municipal	17,509,000	813,000	5,727,000
Federal	34,136,000	32,051,000	67,583,000

In the classified construction groups, gains over the preceding week are in bridges, industrial, commercial and public buildings, earthwork and drainage, streets and roads, and unclassified construction. Increases over the week ending Jan. 1, 1942, are in waterworks, public buildings, and unclassified construction. Subtotals for the week in each class of construction are: waterworks, \$974,000; sewerage, \$559,000; bridges, \$387,000; industrial buildings, \$841,000; commercial building and large-scale private housing, \$2,029,000; public buildings, \$26,303,000; earthwork and drainage, \$98,000; streets and roads, \$5,731,000; and unclassified construction, \$39,373,000.

New capital for construction purposes for the final 1942 week totals \$207,000, entirely in state and municipal bond sales.

New construction financing for the 53 weeks of 1942 reaches \$10,219,318,000, an increase of 27% over the \$7,895,129,000 reported for the 52-week period last year.

## Sees National Income Above \$117 Billion

Secretary of Commerce Jesse Jones estimated on Dec. 19 that this year's national income would exceed \$117,000,000,000, nearly three times the depression low, and that next year it would climb to \$135,000,000,000.

Part of the \$22,000,000,000 gain over 1941 can be attributed to higher prices, Mr. Jones said in a statement, "but the major share represents an increased volume of productive activity."

Associated Press Washington advices of Dec. 19, in indicating this, added:

"The estimate for this year compares with the 1929 income of \$83,265,000,000, a record until last year, and the 1932 mark of \$39,991,000,000 since when the national income has climbed each year except 1938. President Roosevelt set a \$100,000,000,000 income as the goal for recovery from the depression.

"Last March the Commerce Department had estimated this year's income at \$113,000,000,000.

"The largest dollar volume increase during 1942 is anticipated for wages and salaries, which Mr. Jones said would exceed \$80,000,000,000, compared with \$61,000,000,000 last year.

"The largest percentage gain was his estimate of 45% for agricultural net income which Jones attributed to higher farm prices.

"The income of business concerns may drop 5 or 6% from 1941 levels because of increased taxes, Mr. Jones said, adding that it was difficult to estimate their net earnings for next year in view of uncertainties over new taxes and possible industrial shifts due to the war. One favorable factor for the corporations, he said, is that conversion of most durable goods plants to war production will have been completed and they need not expect interruptions due to changeover from civilian production such as occurred in many plants this year.

"No actual dollar estimates were given for farm and business net income for 1942.

"The sharp upswing in national income this year, the commerce chief said, is even more significant because it came on top of a record-breaking total of goods and services produced the previous year, and because it was achieved in spite of the necessity of converting many industrial plants from civilian goods production to war production in the course of the year.

"He attributed the sharp rise in wages and salaries to the substantial gain in total employment, longer hours of work and higher wages.

"This upward trend of total wages and salaries," Mr. Jones said, must continue in 1943 as the total of military and civilian employment continues to expand and as extensions are made in the average work week, even if there is substantial wage stabilization during the year ahead."

## Convention Cut Urged

Abandonment of meetings and conventions that will not contribute to winning the war was urged on Dec. 15 by Joseph B. Eastman, Director of the Office of Defense Transportation, Washington advices to the New York "Times" said.

"Responding to requests for ODT's attitude on the holding of conventions involving intercity travel, Mr. Eastman declared that individual associations must make their own decisions. He indicated, however, that no such gatherings would be justified, in view of war burdens on the transportation system, unless

# Revenue Freight Car Loadings During Week Ended Dec. 26 Amounted To 591,595 Cars

Loading of revenue freight for the week ended Dec. 26 totaled 591,595 cars, the Association of American Railroads announced on Jan. 2. This was a decrease of 14,907 cars or 2.5% below the corresponding week in 1941, but an increase of 46,288 cars or 8.5% above the same week in 1940. Loading of revenue freight for the week of Dec. 26 was a decrease of 151,316 cars or 20.4% below the preceding week. The Association further reported as follows:

Miscellaneous freight loading for the Dec. 26 week totaled 290,248 cars, a decrease of 68,650 cars below the preceding week, but an increase of 9,973 cars above the corresponding week in 1941.

Loading of merchandise less than carload lot freight totaled 72,492 cars, a decrease of 14,655 cars below the preceding week, and a decrease of 50,644 cars below the corresponding week in 1941.

Coal loading amounted to 121,331 cars, a decrease of 42,194 cars below the preceding week, but an increase of 8,465 cars above the corresponding week in 1941.

Grain and grain products loading totaled 39,449 cars, a decrease of 8,116 cars below the preceding week, but an increase of 10,063 cars above the corresponding week in 1941. In the Western Districts alone, grain and grain products loading for the week of Dec. 26, totaled 27,002 cars, a decrease of 5,751 cars below the preceding week, but an increase of 8,523 cars above the corresponding week in 1941.

Live stock loading amounted to 11,443 cars, a decrease of 4,218 cars below the preceding week, but an increase of 1,745 cars above the corresponding week in 1941. In the Western Districts alone, loading of live stock for the week of Dec. 26, totaled 8,270 cars, a decrease of 3,135 cars below the preceding week, but an increase of 1,117 cars above the corresponding week in 1941.

Forest products loading amounted to 31,063 cars, a decrease of 10,433 cars below the preceding week, but an increase of 4,578 cars above the corresponding week in 1941.

Ore loading amounted to 11,882 cars, a decrease of 1,973 cars below the preceding week, but an increase of 423 cars above the corresponding week in 1941.

Coke loading amounted to 13,687 cars, a decrease of 1,077 cars below the preceding week, but an increase of 400 cars above the corresponding week in 1941.

All districts reported decreases compared with the corresponding weeks in 1941, except the Pocahontas, Southern, Centralwest and Southwest, but all districts reported increases above the corresponding week in 1940 except the Eastern.

Loading of revenue freight on the railroads of the United States in 1942 totaled 42,818,739 cars. Although this was an increase of 528,975 cars or only 1.3% over the preceding year, ton-miles increased nearly 33% due to the heavier loading of cars and the longer haul per ton. Carloadings were an increase of 6,460,885 cars or 17.8% compared with 1940.

	1942	1941	1940
Five weeks of January	3,858,273	3,454,409	3,215,565
Four weeks of February	3,122,743	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	2,793,830	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
Five 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
Five weeks of October	4,512,046	4,553,037	4,064,273
Four weeks of November	3,236,051	3,423,038	2,985,636
Week of Dec. 5	759,621	833,375	738,513
Week of Dec. 12	740,336	807,225	736,340
Week of Dec. 19	742,911	798,868	697,755
Week of Dec. 26	591,595	606,502	545,307
<b>Total</b>	<b>42,818,739</b>	<b>42,289,764</b>	<b>36,357,854</b>

Total loadings by commodities in 1942 compared with 1941 follow:

	1942	1941	% Change
Grain and grain products	2,180,348	2,022,609	+ 7.8
Live Stock	744,400	650,479	+14.4
Coal	8,361,393	7,590,833	+10.2
Coke	731,299	677,449	+ 7.9
Forest Products	2,450,204	2,186,999	+12.0
Ore	3,011,784	2,682,325	+12.3
Merchandise, L.C.L.	5,584,736	8,041,503	-30.6
Miscellaneous	19,754,575	18,437,567	+ 7.1
<b>Total</b>	<b>42,818,739</b>	<b>42,289,764</b>	<b>+ 1.3</b>

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Dec. 19, 1942. During this period only 40 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	247	589	553	1,304	1,611	1,611
Bangor & Aroostock	1,616	1,624	1,255	198	201	201
Boston & Maine	5,450	8,295	7,633	12,570	13,971	13,971
Chicago, Indianapolis & Louisville	1,409	1,467	1,390	1,999	2,506	2,506
Central Indiana	31	24	25	54	43	43
Central Vermont	1,006	1,528	1,307	1,965	2,510	2,510
Delaware & Hudson	5,760	6,173	5,702	11,525	11,144	11,144
Delaware, Lackawanna & Western	6,541	9,100	8,868	9,485	9,281	9,281
Detroit & Mackinac	298	438	299	120	151	151
Detroit & Ironstone	1,544	2,471	2,766	1,629	1,845	1,845
Detroit & Toledo Shore Line	244	335	399	3,495	4,147	4,147
Erie	10,808	14,471	13,545	16,357	15,623	15,623
Grand Trunk Western	3,500	5,057	5,918	8,445	9,145	9,145
Lehigh & Hudson River	201	190	170	2,686	2,785	2,785
Lehigh & New England	1,687	1,753	1,902	1,625	1,598	1,598
Lehigh Valley	8,118	9,032	9,166	11,286	10,203	10,203
Maine Central	2,052	3,258	3,029	3,097	3,184	3,184
Monongahela	5,874	6,113	4,131	331	434	434
Montour	2,302	1,716	1,701	19	33	33
New York Central Lines	41,300	47,437	43,690	52,477	49,507	49,507
N. Y., N. H. & Hartford	8,165	12,325	10,484	16,235	16,002	16,002
New York, Ontario & Western	899	1,082	1,126	2,033	2,480	2,480
New York, Chicago & St. Louis	6,456	6,518	5,158	16,039	14,633	14,633
N. Y., Susquehanna & Western	4,077	5,371	4,032	2,006	1,638	1,638
Pittsburgh & Lake Erie	7,108	8,271	7,692	7,567	6,642	6,642
Pere Marquette	4,994	5,756	6,308	7,393	6,658	6,658
Pittsburg & Shawmut	717	601	565	23	4	4
Pittsburg, Shawmut & North	317	392	444	263	274	274
Pittsburg & West Virginia	934	823	829	3,466	2,557	2,557
Rutland	271	540	542	833	1,089	1,089
Wabash	5,301	6,232	5,485	12,738	11,522	11,522
Wheeling & Lake Erie	4,909	4,515	3,774	5,490	4,264	4,264
<b>Total</b>	<b>140,436</b>	<b>168,713</b>	<b>156,259</b>	<b>214,784</b>	<b>207,727</b>	<b>207,727</b>

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1942	1941	1940	1942	1941	1940
<b>Allegheny District—</b>						
Akron, Canton & Youngstown	705	581	547	1,021	1,078	1,078
Baltimore & Ohio	35,286	37,760	32,628	27,089	21,754	21,754
Bessemer & Lake Erie	2,479	2,960	3,099	1,935	1,292	1,292
Buffalo Creek & Gauley	290	331	239	5	7	7
Cambria & Indiana	1,756	1,991	1,906	6	8	8
Central R. R. of New Jersey	6,344	7,426	6,974	20,089	16,282	16,282
Cornwall	624	570	634	51	58	58
Cumberland & Pennsylvania	231	327	288	23	36	36
Ligonier Valley	124	114	173	50	49	49
Long Island	1,013	788	740	3,108	3,166	3,166
Penn-Reading Seashore Lines	1,547	1,741	1,157	2,057	1,816	1,816
Pennsylvania System	68,696	78,751	66,570	57,256	52,396	52,396
Reading Co.	13,496	16,079	15,667	27,763	24,592	24,592
Union (Pittsburgh)	20,119	20,514	19,953	3,960	3,413	3,413
Western Maryland	3,538	4,391	3,804	12,999	9,955	9,955
<b>Total</b>	<b>156,248</b>	<b>174,324</b>	<b>154,379</b>	<b>157,412</b>	<b>135,902</b>	<b>135,902</b>
<b>Pocahontas District—</b>						
Chesapeake & Ohio	26,293	25,135	20,862	10,878	10,570	10,570
Norfolk & Western	21,260	22,367	19,223	6,532	5,868	5,868
Virginian	4,616	4,792	4,332	2,283	2,242	2,242
<b>Total</b>	<b>52,169</b>	<b>52,294</b>	<b>44,417</b>	<b>19,693</b>	<b>18,680</b>	<b>18,680</b>
<b>Southern District—</b>						
Alabama, Tennessee & Northern	404	447	305	294	226	226
Atl. & W. P.—W. R. R. of Ala.	691	863	775	2,427	2,109	2,109
Atlanta, Birmingham & Coast	659	788	660	1,608	1,408	1,408
Atlantic Coast Line	13,438	11,974	11,061	9,656	7,685	7,685
Central of Georgia	3,831	4,328	4,042	4,235	4,236	4,236
Charlotte & Western Carolina	387	475	404	1,527	1,783	1,783
Clinchfield	1,303	1,912	1,417	3,091	3,104	3,104
Columbus & Greenville	372	284	341	270	348	348
Durham & Southern	92	187	188	435	533	533
Florida East Coast	1,967	1,097	958	1,521	1,064	1,064
Gainesville Midland	44	32	29	72	85	85
Georgia & Florida	1,312	1,427	960	2,317	2,643	2,643
Gulf, Mobile & Ohio	343	386	385	535	757	757
Illinois Central System	3,798	4,165	3,434	4,280	3,600	3,600
Louisville & Nashville	26,378	28,526	21,870	17,010	15,476	15,476
Macon, Dublin & Savannah	24,442	25,510	28,271	10,859	8,342	8,342
Mississippi Central	191	210	144	940	881	881
Nashville, Chattanooga & St. L.	166	165	119	401	392	392
Norfolk Southern	3,137	3,722	3,009	4,299	3,526	3,526
Piedmont Northern	824	1,061	1,077	1,432	1,387	1,387
Richmond, Fred. & Potomac	334	488	406	1,303	1,761	1,761
Seaboard Air Line	363	561	354	10,010	6,866	6,866
Southern System	10,396	10,796	10,695	9,138	7,314	7,314
Tennessee Central	21,518	25,393	22,497	24,470	21,325	21,325
Winston-Salem Southbound	552	664	461	737	720	720
<b>Total</b>	<b>117,069</b>	<b>125,509</b>	<b>109,010</b>	<b>113,747</b>	<b>98,417</b>	<b>98,417</b>
<b>Northwestern District—</b>						
Chicago & North Western	14,319	17,551	14,950	13,669	14,140	14,140
Chicago Great Western	2,456	2,962	2,336	3,264	3,393	3,393
Chicago, Milw., St. P. & Pac.	19,385	22,685	19,840	9,652	9,400	9,400
Chicago, St. Paul, Minn. & Omaha	3,754	4,619	3,955	3,511	4,255	4,255
Duluth, Missabe & Iron Range	1,122	972	881	291	363	363
Duluth, South Shore & Atlantic	635	655	630	653	506	506
Elgin, Dodge & Eastern	8,078	10,943	9,515	11,080	10,765	10,765
Ft. Jolley, Des Moines & South	451	515	336	126	125	125
Great Northern	11,905	12,968	9,755	5,368	4,169	4,169
Green Bay & Western	533	564	452	792	746	746
Lake Superior & Ishpeming	243	272	254	36	61	61
Minneapolis & St. Louis	2,040	1,972	1,557	2,137	2,428	2,428
Northern Pacific	4,944	5,884	5,004	3,172	3,184	3,184
Spokane International	10,690	11,625	9,879	4,936	4,424	4,424
Spokane, Portland & Seattle	122	83	97	643	267	267
<b>Total</b>	<b>185,1</b>	<b>2,545</b>	<b>1,993</b>	<b>3,296</b>	<b>2,155</b>	<b>2,155</b>
<b>Central Western District—</b>						
Atch., Top. & Santa Fe System	22,364	22,056	17,601	11,643	9,965	9,965
Alton	3,176	3,562	2,728	4,731	2,958	2,958
Bingham & Garfield	773	584	422	84	104	104
Chicago, Burlington & Quincy	17,882	18,110	16,133	11,266	10,789	10,789
Chicago & Illinois Midland	2,444	2,804	2,797	917	864	864
Chicago, Rock Island & Pacific	12,173	12,676	10,513	12,072	11,043	11,043
Chicago & Eastern Illinois	2,433	2,878	2,778	5,339	3,	

## Items About Banks & Trust Companies

(Continued from page 67)

\$26,000,000, respectively, while undivided profits total \$2,095,561, compared with \$2,902,986 on Dec. 31, 1941.

Bank of the Manhattan Company of New York reported as of Dec. 31, 1942 total deposits of \$939,412,515 and total assets of \$994,537,627 compared, respectively with \$851,309,191 and \$907,773,106 as of Sept. 30, 1942. Cash on hand and due from banks amounted at the end of the year to \$279,474,550 against \$245,401,761, while holdings of United States Government obligations are shown as \$424,370,613 against \$355,653,004. Loans and discounts decreased to \$221,112,160 from \$226,777,361. Capital and surplus are unchanged at \$20,000,000 and \$20,000,000 respectively. Undivided profits after reserve of \$400,000 for quarterly dividend, and \$200,000 for special dividend increased to \$3,558,884 from \$3,217,211 at the end of September.

The First National Bank of the City of New York, in its report of condition at the close of business Dec. 31, 1942, shows total resources of \$1,014,254,349 and total deposits of \$887,300,349, compared with \$962,710,227 and \$837,545,082, respectively, on Dec. 31, 1941. Cash and due from Federal Reserve Bank and other banks, including exchanges, is listed at \$195,270,184, against \$296,986,908 a year ago; holdings of United States obligations, \$620,757,312, compared with \$458,194,913, and loans and discounts, \$70,541,163, against \$50,570,193. Capital and surplus remain unchanged at \$10,000,000 and \$100,000,000, respectively. Undivided profits are given as \$12,044,415, after making provision for the Jan. 2 dividend of \$2,000,000, compared with \$10,278,417 on Dec. 31, 1941, after providing the same dividend last year.

The statement of condition of the Brooklyn Trust Co. of Brooklyn, N. Y., as of Dec. 31, 1942, shows surplus of \$4,675,000, an increase of \$25,000 from the total of \$4,650,000 shown on Sept. 30, 1942. Undivided profits are now \$1,429,794, against \$1,426,163 three months ago. Deposits at the latest date are \$167,551,332, against \$142,552,833 on Sept. 30 and \$139,874,550 on Dec. 31, 1941. Total resources now at \$183,104,097 compare with \$158,212,815 three months ago and \$155,506,025 a year ago. Holdings of U. S. Government securities are shown as \$85,154,795, against \$67,849,838 on Sept. 30 and \$53,211,270 at the end of 1941. Cash on hand and due from other banks is \$56,679,816, against \$44,392,983 on Sept. 30 and \$49,461,430 a year ago. Total loans and discounts of \$25,938,816 are given on Dec. 31, comparing with \$27,058,567 on Sept. 30 and \$33,682,646 a year ago. Bank buildings are carried at \$4,515,377, against \$4,897,373 a year ago, and other real estate at \$263,263, against \$339,633.

As a memorial to the late Henry R. Kinsey, President of the Williamsburgh Savings Bank, Brooklyn, N. Y., a number of his banker friends have organized a committee to establish a school as an adjunct of the House of St. Giles the Cripple, a charitable institution which was one of Mr. Kinsey's special interests. Edward A. Richards, President of the East New York Savings Bank, is Chairman of the Committee, and Jacob C. Klinck, President of the Kings County Savings Bank, is Treasurer. Mr. Kinsey, who was former President of the National Association of Mutual Savings Banks and the Savings Banks Association of the State of New York, died on Oct. 13, as was

noted in our issue of Oct. 22, page 1456.

At a meeting of the Board of Directors of the Flushing National Bank, of Flushing, New York, Lester Mendell was elected Chairman of the Board. Allan D. Emil and Joseph J. Morris were elected Directors of the Bank. After a number of years in the lumber manufacturing business, Mr. Mendell formed Lester Mendell Co., wholesale lumber merchants, in New York City. Mr. Morris is senior member of Morris, Sherwood & May, certified public accountants. He is a member of the New York State Society of Certified Public Accountants and the American Institute of Certified Public Accountants. Mr. Emil, an attorney, is a director of the Square D Company of Detroit and of the Gray Manufacturing Co. He is counsel for the Kollsman Instrument Co., and assistant counsel for the Institute of Aeronautical Science. Mr. Emil is a member of the New York County Lawyers Association and the American Bar Association.

According to special advices to the New York "Times," the Commonwealth-Merchants Trust Co., Union City, N. J., on Dec. 30, absorbed the Hamilton National Bank of Weehawken. The latter institution now becomes the fourth branch of the Commonwealth-Merchants and Alfred J. Curtin, President of the Hamilton, becomes the Manager. The Commonwealth-Merchants took over liabilities of about \$1,500,000 of the Hamilton in exchange for acceptable assets.

A program for consolidating all building and loan associations in Atlantic City and neighboring Ventnor (N. J.) was announced on Dec. 27 by the Atlantic County League of Building and Loan Associations. The plan, according to Atlantic City advices to the New York "Herald Tribune," approved by both Federal and State authorities, is contained in letters mailed to shareholders of each association. The notices call for shareholders' meetings this month to act on the proposal. The plan proposes the merging of 13 Atlantic City and two Ventnor associations into two operating units.

The Philadelphia National Bank, Philadelphia, Pa., reports in its Dec. 31, 1942, statement of condition total deposits of \$678,427,431 and total assets of \$733,168,806. This compares with deposits of \$629,732,560 and resources of \$684,347,113 on Dec. 31, 1941. In the current statement cash and due from banks amount to \$213,194,415 (against \$304,524,667); holdings of U. S. Government securities \$375,279,847 (as compared with \$221,215,634), and loans and discounts of \$81,461,521 (against \$91,630,774). No change has been made in capital stock, which stands at \$14,000,000, but surplus and net profits have increased to \$33,869,234 from \$32,295,272 at the end of 1941.

The Fidelity-Philadelphia Trust Co., of Philadelphia, Pa., in its statement of condition as of Dec. 31, 1942, reported total deposits of \$151,096,700 and total resources of \$172,117,018, compared, respectively, with \$147,831,129 and \$167,990,001 on Dec. 31, 1941. Cash on hand and due from banks at the end of 1942 amounted to \$40,953,177, against \$38,177,626; holdings of U. S. Government securities to \$43,956,709, compared with \$30,990,940, and loans to \$38,050,735, against \$38,235,965. The bank's capital and surplus remain unchanged from a year ago at \$6,700,000 and \$11,000,000, while undivided profits have increased to \$2,130,478 from \$1,496,338 at the close of last year.

In its statement of condition as of Dec. 31, 1942, the Pennsylvania

Company for Insurance on Lives and Granting Annuities, Philadelphia, reports total resources of \$401,252,070 (comparing with \$341,087,239 on Dec. 31, 1941), the principal items of which are: Cash and due from banks, \$135,899,114 (against \$140,676,089); United States Government securities, \$138,140,870 (increased from \$48,781,618 a year ago); commercial and collateral loans, \$93,162,412 (compared with \$114,536,839). Deposits on Dec. 31, 1942 are given as \$370,613,745 contrasting with \$310,224,183 at the end of last year. The company's capital stock and surplus are unchanged from a year ago at \$10,000,000 and \$14,700,000, respectively, but undivided profits have increased to \$2,367,844 from \$1,671,397 on Dec. 31, 1941.

Arthur Reynolds, for many years one of Chicago's leading bankers, died Jan. 1 in his home at San Mateo, Cal. He was 74 years old. Mr. Reynolds retired from the Chicago banking scene in 1932 when he gave up his post as Chairman of the Continental Illinois National Bank and Trust Co. and moved to California for his health. From 1933 to 1936 he served as Vice-Chairman of the Board of the Bank of America, San Francisco.

The following is from the Chicago "Daily Tribune" of Jan. 3:

"Mr. Reynolds was a member of the Reynolds brothers banking team, the senior member of which was the late George M. Reynolds. The Reynolds brothers were born in Panora, Ia. George established himself in the banking world in Chicago and Arthur followed him here in 1915 when he was made Vice-President of the old Continental and Commercial Bank.

"The Reynolds brothers were active in development of Chicago banking during the 1920s, and took part in various bank mergers from which the Continental Illinois National Bank and Trust Co. resulted."

On Jan. 5 Frederick E. Hasler, President and Chairman of The Continental Bank & Trust Co. announced the election of Joseph T. Lykes, shipping executive and cattle breeder, to the board of directors. Mr. Lykes is Executive Vice-President and a director of Lykes Brothers Steamship Co., Inc., one of the largest Gulf operators in the American Merchant Marine with offices in New York, New Orleans, Houston, Galveston and other ports and a director of Lykes Brothers Co., Inc., steamship agents, and Lykes Coastwise Line, Inc. The Lykes Brothers interests have large cattle holdings in Texas, Florida and Cuba.

The Boatmen's National Bank of St. Louis reports that its operating profits for 1942, after all expenses, taxes and depreciation, and exclusive of recoveries on items previously charged off, were \$476,197, or \$3.81 per share, as against \$406,227, or \$3.25 per share for 1941. Deposits at Dec. 31, 1942, were \$112,331,741, against \$84,716,004 at the previous year-end. Total resources now amount to \$117,853,446, compared with \$89,974,749 at the end of last year. The bank's capital stock is unchanged at \$2,500,000. The other items in the capital account are now reported as follows: Surplus \$2,000,000, undivided profits \$479,084 and reserve for contingencies \$410,790; these figures compare respectively with \$1,700,000, \$502,886 and \$390,767 at the end of 1941.

Stuart C. Frazier, Second Vice-President of the Washington Mutual Savings Bank at Seattle, Wash., has been commissioned a First Lieutenant in the U. S. Marine Corps and has reported for duty at the Marine Corps barracks in Quantico, Va. Mr. Frazier was President of the Savings Division of the American Bankers Association in the year 1941-1942.

## New Congress Support For Pay-As-You-Go Tax

A new tax bill embracing "pay-as-you-go" income tax principles will apparently receive serious consideration by the new Congress in view of the recent statements made by advocates of the proposal.

The plan to place Federal income-tax collections on a current basis was first brought forward by Beardsley Ruml, Treasurer of R. H. Macy & Co., Inc., and Chairman of the Federal Reserve Bank of New York.

Under the Ruml plan income taxes on the previous year's earnings would be wiped out and payments would be made on the current year's taxes through weekly or monthly deductions from an individual's earnings. His plan was rejected by Congress as part of the last tax bill because the Treasury had strongly opposed elimination of one year's tax liability.

Senator George (Dem., Ga.), Chairman of the Senate Finance Committee, is on record as favoring a current payments system for income taxes, and Representative Doughton (Dem., N. C.), Chairman of the House Ways and Means Committee, also favors the proposal in principle but is opposed to the Ruml plan.

The latest to take a stand in favor of some "pay-as-you-go" tax plan are Senator Davis (Rep., Pa.), member of the Senate Finance Committee, Senator Barbour (Rep., N. J.), Representative Treadway (Rep., Mass.), ranking minority member of the House Ways and Means Committee, and Representative Kean (Rep., N. J.).

## Reach Agreement On Brazil Needs From US

The State Department in Washington announced on Dec. 28 an agreement providing for the joint determination of Brazil's civilian requirements from the United States by Carteira de Exportacao e Importacao of the Banco do Brazil and agencies of this Government.

The agreement, details of which were not revealed, was worked out jointly by the State Department and the Board of Economic Warfare. The State Department announcement said:

"One of the main objectives of the agreement is to secure precise requirements figures for Brazil through the joint consideration of requirements data by the Carteira and officials of the United States Embassy. This should provide greater assurance that the limited shipping facilities currently available are utilized to the best advantage. The agreement provides that the requirements will continue to be met through the normal channels of trade. . . . The detailed step-by-step operations of the plan are not yet fully worked out."

## Logan Named To WPB Post

Appointment of William John Logan, formerly Vice-President of the Central Hanover Bank and Trust Co., New York City, to be Director of the War Production Board's Compliance Division was announced on Dec. 21 by J. A. Krug, Deputy Director General for Distribution. At the same time Mr. Krug announced that Walter H. Foster, of WPB's Legal Division, will serve as Chief Compliance Commissioner, with headquarters in Washington.

Mr. Logan succeeds John H. Ward as Director of the Compliance Division. Mr. Ward, now Acting Director of the Organizational and Procedural Office in the Office of the Program Vice Chairman, replaces Livingston Short, who left WPB to engage in confidential work for the Government.

## ABA Pres. To Address NY Commerce Chamber

W. L. Hemingway, President of the American Bankers Association, will speak on "Our National Debt" at the monthly meeting of the Chamber of Commerce of the State of New York today (Jan. 7) at 65 Liberty Street. Mr. Hemingway is President of the Mercantile-Commerce Bank & Trust Co. of St. Louis.

## NY Stores Up Sale of War Bonds & Stamps

The sale of War Bonds and Stamps in 160 retail stores in Greater New York and Jamaica totaled \$1,650,500 in November, an increase of \$87,000,000 over October, J. Edward Davidson, War Bond Retail Chairman, reported to the New York War Savings Staff. It is stated that the public was responsible for \$1,225,444.70 of the full amount. Employees bought \$425,102.55 worth of War Bonds and Stamps during the month. Eleven stores of the Retail Dry Goods Association showed the biggest total, \$585,880.20. The Uptown Retail Guild, in 32 shops, sold a total of \$134,008.95 in Bonds and Stamps. Thirteen Brooklyn stores realized \$173,362 in sales.

## US Grants Credits To Venezuelan Bank

Secretary of Commerce Jesse Jones announced on Dec. 18 the signing of two agreements between the Export-Import Bank of Washington and the Banco Agricola y Pecuario, of Venezuela, a government controlled agricultural bank, by each of which the Venezuelan bank is granted a \$6,000,000 credit. The "Wall Street Journal" reported from Washington that one of the credits has been established to aid the Banco Agricola in financing coffee and cocoa crops throughout the Republic up to and including the 1944 seasons, while the other credit has been extended to aid in financing a program designed to increase production of agricultural products.

## Period 3 Fuel Oil Coupons Worth 10% Less In East

Leon Henderson, Price Administrator, on Jan. 2, ordered a 10% cut in the value of all Period 3 fuel oil coupons for the 17 rationed Eastern States and the District of Columbia, effective 12.01 a.m. on Jan. 4.

Class 1 coupons, issued generally to homeowners, will be reduced in value from ten to nine gallons each. Likewise, class 2 coupons, used by apartment houses, office buildings and other larger consumers, are reduced 10%, their value for Period 3 being fixed at 90 gallons as against the original value of 100 gallons each.

Consumers who already have used some of their Period 3 coupons will not be penalized, the OPA said.

## FIC Banks Place Debs.

The Federal Intermediate Credit Banks on Dec. 21 made a successful placement at par of \$50,965,000 debentures through Charles R. Dunn, New York, fiscal agent for the banks. Of the total, \$20,750,000 dated Dec. 30, 1942, due July 1, 1943, carries a coupon rate of 0.70% and \$30,215,000, to be dated Jan. 2, 1943, due Oct. 1, 1943, bears a coupon rate of 0.80%. Of the total proceeds, \$34,245,000 will be used to pay off a like amount of outstanding debentures due Jan. 2, 1943, and \$16,720,000 is new money. At the close of business Jan. 2, 1943, the banks will have outstanding \$297,440,000 debentures.