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## THE FINANCIAL SITUATION

There is a current movement, strongly supported by the Government itself, demanding that the Administration insist upon an early if not immediate beginning of negotiations with the other United Nations concerning the terms of the peace. It is difficult to determine in what degree it is actually taking hold of the rank and file of the people. Hardly a day now passes that some official or some propagandist does not "harp on my daughter," but for the most part the cries appear to come from the same groups who have all along been eager to begin making the world over. There is, however, an element of real danger in the situation which should not be overlooked by those who prefer realism to vain searchings for Utopia. It would be unfortunate, we think, if to the already ardent desire of the Administration there were added a persistent popular demand for action which undertakes at this time to reach definitive agreements concerning peace settlements.

### A Pandora's Box

So far as the idea has gained general support, it has doubtless done so largely as a result of misgivings about the attitude of various of our Allies. There is obviously good reason for such misgivings, but there never has been any good ground for supposing that they would see eye to eye with our day dreamers about many things in world politics. We have assumed the risk of another grave disillusionment at the end of this war, and that risk we must bear as well as we can. It will not be reduced by a premature opening of that Pandora's box of troubles. No one in his right senses can well suppose that we could bring pressure enough upon Mr. Stalin to cause him to bring his ideas of his western boundaries into conformity with our "four freedoms" and the like. The British have been at this business of bargaining, intrigue and applying pressure in world politics since long before we came into being as a nation. We should without question find difficulty even in existing circumstances in wringing what we want from them.

All over the world, indeed, problems of great difficulty and complexity await any attempt to institute the reforms upon which the Administration appears to have set its heart. Our present position is a strong one, but we should be more than foolish if we imagined it would enable us to "bull our way" through to our "objectives" at such a time as this. What we are more likely to accomplish if we try any such thing is to reduce seriously the effectiveness of the Allied effort to defeat our common enemies. It has from the first been obvious enough that the problems of merely making

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## An Economic "Maginot Line"

"For the past 10 or 20 years, and I don't blame this on the Democrats because I have heard more of it from the Republicans and business men than any other source, we have been obsessed with the economics of security. We have been thinking of stabilizing profits, keeping a fool from losing his money, social security, ironing out depressions, creating a situation where anybody who remained sober and didn't run off with somebody else's wife was assured of a comfortable old age.

"I am not opposed to any of these methods of social security or humanitarian measures. I only say that if your whole thinking is obsessed with the idea of security, the same thing will happen to your industrial structure that happened to the French Army that was obsessed with the idea of the Maginot Line. We must get back to the old economics of opportunity, of taking a chance, which made America great."—Thurman Arnold.

It is not often that we find a great deal in Mr. Arnold's utterances to commend.

We are certain, however, that in this instance the American people would do well to ponder his words carefully.

"Maginot Line" attitudes can be as disastrous in social and economic as in military matters.

## Reviews Overtime Pay Requirements Under Wage-Hour And Public Contracts Laws

Questions arising under the mandatory 48-hour week for certain areas to release manpower for war industries impelled Administrator L. Metcalfe Walling of the Wage and Hour and Public Contracts Divisions of the U. S. Department of Labor to release recently a summary of those portions of the laws he administers having a bearing on payment of overtime. It was pointed out in the announcement that President Roosevelt's executive order establishing a minimum 48-hour week in the designated areas does not supersede or conflict with the Fair Labor Standards Act, the Walsh-Healey Public Contracts Act or any other Federal, State or local law on hours of work or overtime, Mr. Walling stated.

Since the War Manpower Commission announced the regulations which will implement the 48-hour week executive order, Mr. Walling said, the Wage and Hour Public Contracts Divisions have been flooded with questions from employers and employees as to who must and who need not be paid overtime under the Federal laws. He pointed out that the Fair Labor Standards Act requires basically that employees engaged in interstate commerce or the production of goods for interstate commerce must receive at least 30 cents an-hour for all hours up to 40 each work week and time-and-one-half their regular rate of pay for all hours over 40. Employers of certain types of workers are, therefore, not subject to the overtime requirement.

Among these, Mr. Walling said, are the following:

Employees who are engaged in a bona fide executive, administrative, professional, or local retailing capacity or in the capacity of outside salesman.

Also exempt are employees engaged in any retail or service es-

tablishment, the greater part of whose selling or servicing is in intrastate commerce. Examples of this type of employee would be those working in home laundries, retail stores, dry cleaning plants, hotels, garages, barber shops or similar establishments.

Among others exempt are seamen, agricultural workers, switchboard operators of small telephone exchanges, certain employees engaged in the sea food and fishing industry, some employees of airlines, street, suburban or inter-urban electric railways, local trolley or local motor bus carriers, or weekly or semi-weekly newspapers with a circulation of less than 3,000 the major part of which is in the county of printing and publication.

Exemptions also apply to persons employed within the area of production engaged in handling, packing, storing, ginning, compressing, canning, pasteurizing, drying, or preparing in their raw or natural state agricultural commodities for market or in making dairy products. Most employees of railway or motor carriers regulated by the Interstate Commerce Commission do not come within the overtime pay provisions of the Act, which is also the case with all employees of employees engaged in the first

processing of milk into dairy products, in the ginning and compressing of cotton, in the processing of cotton seed, and in the processing of sugar beets, sugar-beet molasses, sugar cane, or maple sap into sugar or syrup. This exemption does not include the refining of sugar.

Mr. Walling also declared that certain workers are partially exempt from the maximum-hour provisions of the Federal Wage and Hour Law. Among them are employees in industries found by the Administrator to be seasonal. It is further announced:

"These employees may work up to 12 hours a day or 56 hours a week without payment of overtime rates for a period or periods not exceeding a total of 14 work-weeks in any one year. An exemption from the maximum-hour provisions also applies to such employees of employers engaged in the first processing, canning, or packing of perishable or seasonal fresh fruits and vegetables as are employed in any place of employment where their employers are so engaged. As to employees engaged in the first processing, within the area of production, of agricultural commodities during seasonal operations or in handling, slaughtering, or dressing poultry or livestock, such of these employees as are employed in any place of employment where their employers are so engaged, are exempt from the maximum-hour provisions of the Act for a

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## From Washington Ahead Of The News

By CARLISLE BARGERON

One of the most significant stories going about Washington these days, one that has caused a lot of eye-brow lifting and one that is being circulated by the President's friends, is that, figuratively, he has already given up the Presidency of this country and moved over to Geneva, or wherever it is that the United Nations are to maintain their headquarters and taken charge. Apparently he is still to remain President of this country

in name because he would naturally have to have some sort of standing, or official connection with some country to be eligible to hold the top job in the United Nations organization. It sort of recalls the experience which Bill Breen, President of the Federation of Labor, had when John Lewis got him expelled from the United Mine Workers. As a former mine worker and cardholder in this organization, Bill had risen to the Presidency of the Federation. Now, he did not have a card in any union, and it would have been unheard of for a man who didn't belong to a union himself to be the head of the federated unions and to be trying to sell trade unionism to others. So the musicians, as I recall it, made Bill a member of their organization.

Presumably this would apply to Mr. Roosevelt if he were to show up at a United Nations post-war meeting and not hold a card from any nation, so to speak. In order

to avoid this, we are being told, he is going to hold onto the Presidency of the U. S., even for a fourth term. But so far as his actually acting as President of domestic affairs, we are being told, he has already quit. He has turned this job completely over to Jimmy Byrnes, who in spite of his title of Economic Director should be more accurately termed as the Executive Vice-President in charge of the Home Front. Never again, so the insistent stories go, will Mr. Roosevelt be concerned with domestic affairs whether he feels impelled to run for a fourth term or even a fifth.

This representation of the state of affairs, put forth, as I said before, by the President's friends, is the most interesting development in Washington in a long time. It is being put forward in connection with the round of fourth-term discussion that has been in progress the past several days. Apparently it was

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## THE FINANCIAL SITUATION

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our joint military efforts fully effective—even when our full attention is directed to that task—is difficult enough.

### Unfortunate Obsessions

But whenever we begin to discuss postwar settlements, whether it be now or at some later date, we should do well first to rid our minds of some of the grandiose nonsense which appears to have found lodgment there. We must, first of all, free ourselves of the obsession that international peace is a matter of any sort of "machinery" or "mechanism." When the current crop of spellbinders begin with the sentence: "Never again must (or shall) we make the mistake, etc., etc.," they more often than not come quickly either expressly or by implication to an assertion that we, by failing to follow Wilson into his League of Nations, are in substantial part responsible for the present war. It is most devoutly to be hoped that the people are turning a deaf ear to such fallacious doctrine. It seems to us that nothing is more plainly written across the pages of history than that any international organization would inevitably have fallen before the crass and violent nationalism that flourished all over the world in the years that followed 1918.

### Internationalism

Nor is there any substantial evidence—if there is any at all—that the nations of the world, including our own, are now ready to follow the idealists in any crusade of lilly-white internationalism. The Administration ever since it came into office 10 years ago has been preaching the encouragement of international trade, and it has for the same length of time been arranging special trade treaties avowedly designed for that purpose, yet none of the arrangements yet made and none that have been proposed are much better than a mockery of its protestations. There can be no question that Mr. Stalin is frankly and shrewdly concerning himself with the future of his own country. The British people, whatever vague beatitudes their public officials may on occasion indulge in, are plainly, deeply and almost exclusively pondering the world position and advantages of the British Empire when the firing has ceased. To dream of some international group wholly disengaged from all this, seated upon Olympus—or better still Mars—passing upon international issues calmly, dispassionately and jointly upon the basis of principles of ultimate "justice" not yet discovered or formulated or accepted is of course to brand oneself better suited for residence upon some other planet. Mankind is, we are afraid, one of Mr. Hitler's thousand years from the stage when any real United Nations of the World is feasible. We may as well tell ourselves the truth.

### Another Absurdity

Another notion which we should do well to slough off as quickly as may be is the strange idea that we can not progress or prosper while any other people anywhere in the world are not progressing or prospering. To state such a proposition bluntly is to expose its absurdity. We and a number of other nations have progressed and prospered (for the most part) for hundreds of years while cannibals feasted upon human flesh, while wild tribes subsisted upon grubs, while the natives of the Amazon Valley permitted Malaya and the Dutch East Indies to develop and exploit a rubber industry which they introduced to the world, while China paid tribute to Britain, France, Russia, and the others, while India was traded out of her boots, and while many other peoples in many other parts of the world remained in squalor and filth. There may well be a better way. It is possible that even we should progress and prosper more if different policies were adopted toward many peoples of the earth. But let us not launch ourselves upon a world-wide campaign to make silk purses out of sows' ears—and most of all let us not deceive ourselves that we shall henceforth degenerate progressively so long as we permit peoples on the other side of the earth to go without a quart of milk a day.

### Other Peoples, Other Wants

Let us likewise realize that there are many, doubtless, who do not even want a quart of milk a day. Certainly there are many who do not now have, and probably can not be persuaded to develop ambition to become "industrialized." At any rate they give no indication whatever of being willing to pay the price in work and worry necessary to obtain what we in our conceit think of as essential to decent living. Neither must we forget that few if any people on this globe want us to tell them how they should live or how they should order their lives either industrially or domestically. Our ideas and ideals of "civilization" have a strange and forbidding look to hundreds of millions of people in Africa and Asia—yes, and even in Europe. The

## The State Of Trade

Business reports generally continued favorable the past week, with small declines noted in the rate of steel production, freight carloadings and bank clearings, while there were gains in electric power production, crude oil production, demand deposits and money in circulation.

Electrical energy distributed by the electric light and power industry of the United States in the week ended Feb. 20, amounted to 3,948,749,000 kilowatt hours, compared with 3,423,589,000 kilowatt hours in the like week a year ago, an increase of 15.3%, it was reported by the Edison Electric Institute.

Output in the preceding week totaled 3,939,708,000 kilowatt hours, against 3,421,639,000 kilowatt hours in the similar week of 1942, a rise of 15.1%.

Carloadings of revenue freight for the week ended Feb. 20, totaled 752,449 cars, according to the Association of American Railroads. This was a decrease of 12,501 cars below the preceding week this year, 21,971 cars fewer than the corresponding week in 1942 and 73,926 cars above the same period two years ago.

This total was 123.90% of average loadings for the corresponding week of the ten preceding years.

Steel production for the current week is scheduled at 98.2% of in-got capacity on the basis of revised capacity of 1,731,662 net tons a week, according to the American Iron & Steel Institute. The 98.2% rate indicates output at 1,700,500 tons against last week's revised rate of 97.7 and output of 1,691,900 tons.

Revised capacity of 1,731,662 tons weekly for the first half of 1943 compares with rated capacity of 1,710,674 tons a week for the last half of 1942.

Industrial activity continues at peak levels, with the Federal Reserve Board's index of industrial production moving into all-time high ground. In January, the index rose 3 points to 200, the first time it ever reached that figure. Preliminary estimates indicate that a new record was achieved in February.

These advances, it is pointed out, reflect the growth of activity in the munitions industry, including production of chemicals for war purposes. Moreover, they indicate that a big boost in expenditures for war is just ahead. In the last few months there has been a flattening out of war spending, based on Treasury figures, which have yet to exceed November's record expenditures of \$6,041,000,000.

With the planned outgo for war set at \$90,000,000,000 for 1943, current monthly expenditures of around \$6,000,000,000 must be stepped up sharply. An average of \$7,800,000,000 monthly is necessary over the remaining ten months of this year to reach the goal figures.

Department store sales in the U. S. last week were 32% greater than the same period last year and followed a 45% rise the preceding week, according to the Federal Reserve Board. Buying by people stocking up against fear of future rationing of food, clothing

and other textile items continued to mark last week's activities in retail trade circles, Dun & Bradstreet, Inc., reported in its weekly review.

With the Southwest and Pacific Coast regions reporting gains of from 32 to 50% over the corresponding period last year, the increase for the entire country was estimated between 22 and 23%. Other regional percentage increases were: New England, 13 to 18; East, 11 to 14; Midwest, 24 to 30; South, 27 to 33; Northwest, 12 to 16; according to Dun & Bradstreet, Inc.

Interest in the wholesale markets centered on the problem of obtaining spring deliveries as quickly as possible to meet the exceptional consumer demand. There also was a strong replacement demand from retailers, according to the Agency. Wholesalers' shipments, especially in apparel and dry goods, were considerably heavier than a year ago at this time, but running behind schedule in numerous lines.

Inability of many suppliers to meet the full replacement demand for spring, together with the fast pace of retail selling, prompted unusually early and heavy covering for summer goods and fall staples, Dun & Bradstreet state.

Department store sales in New York City in the week ended Feb. 27, were 18% above the comparative 1942 week, according to a preliminary estimate issued by the New York Federal Reserve Bank. In the previous week, ended Feb. 20, the bank also had reported sales of the same stores at 18% above a year ago.

Retail stores in New York State reported larger than normal seasonal reductions in employment and pay rolls from the middle of December to the middle of January, the State Department of Labor disclosed. The stores reduced forces 22.8% and pay rolls 17.5%.

Although sharp seasonal losses usually occur during this period, the reductions this January were somewhat larger than the average of the last eight years, it was said. Reports from 7,249 retailers throughout the state form the basis for these figures.

### January Truck Freight Volume 16.6% Over 1942

The volume of freight transported by motor carriers in January showed a seasonal decline of 3.3% under December, but held 16.6% over January, 1942, according to reports compiled and released on March 1 by the American Trucking Associations.

Comparable reports were received by ATA from 195 motor carriers in 41 States. The reporting carriers transported an agree-

gate of 1,259,627 tons in January, as against 1,302,154 tons in December, and 1,080,332 tons in January, 1942.

The ATA index figure, computed on the basis of the average monthly tonnage of the reporting carriers for the three-year period of 1938-1940 as representing 100, was 168.10.

Almost 82% of all tonnage transported in the month was reported by carriers of general freight. The volume in this category decreased 4.1% under December, but held 15.9% over January of last year.

Transporters of petroleum products, accounting for slightly more than 9% of the total tonnage reported, showed a slight increase of 0.8% over December, and an increase of 53.5% over January, 1942.

Haulers of iron and steel products reported approximately 3% of the total tonnage. The volume of these commodities increased 8.1% over December, but decreased 3.7% under January of last year.

Slightly more than 6% of the total tonnage reported was miscellaneous commodities, including tobacco, milk, textile products, coke, bricks, building materials, cement and household goods. Tonnage in this class showed a decrease of 3.2% under December, and a decrease of 0.9% under January of last year.

### Illinois Approves Cut In Auto Collision Rates

The Illinois Department of Insurance has approved a 20% reduction in commercial automobile bodily injury liability rates and minor automobile casualty manual rule changes as filed by the member companies of the National Bureau of Casualty & Surety Underwriters, it was reported on Feb. 23 by Director Paul F. Jones. The new rates became applicable on Feb. 10 in the State and are retroactive to Dec. 1, 1942. The announcement from the Department states:

"The new bodily injury rates apply to commercial cars, classes 4 and 5; hired cars—commercial classes 4 and 5, and private passenger; garages—automobile dealers, repair shops and storage garages and service stations (with no change in minimum premiums for these classifications) and non-ownership, classes 1 and 2.

"Director Jones explained that the reductions have been allowed on the basis of opinions expressed by experienced underwriters who believe them reasonable under existing conditions. He explained that no experience has yet been compiled, and that the reductions are predicated primarily on general reduced activity in the classifications designated."

An item regarding a reduction announced by the National Automobile Underwriters Association, covering 30 States, appeared in our issue of Jan. 7, page 70.

### New N. Y. CDVO Head

The resignation of James G. Blaine as chairman of the Civilian Defense Volunteer Office of Greater New York and the appointment of Grover A. Whalen as his successor has been announced by Mayor LaGuardia.

Mr. Blaine, who is President of the Marine Midland Trust Co. of New York, explained in his letter of resignation that his increased duties at the bank made it impossible for him to continue to devote "substantially" his entire time to the CDVO post.

Mr. Whalen, former Police Commissioner and head of the New York World's Fair, will serve in the CDVO post without compensation, as had Mr. Blaine. Mr. Whalen is Chairman of the Board of Coty, Inc., and Coty International Corporation, perfume manufacturers.

philosopher or the saint may find many reasons satisfying to him why we should endeavor to change all these peoples, but one thing is certain—we shall be neither happier nor wealthier by trying to change them.

Another idea, incongruous when associated with these dreams of the Utopians in Washington, appears to be gaining headway in many quarters, and even at times seems to be in the minds of officialdom. That is that another war may at some time come along despite all our determination that it shall never happen, and accordingly we should make ourselves secure by the acquirement of "bases" at strategic points throughout the world and make certain that we ally ourselves with the right nations; that while we are making certain that there shall be no more war, we shall make doubly certain that we win the next war; in fine, that we should enter world politics in the old fashioned way. By comparison it has much to recommend it.

## Eccles And Crowley Favor Bill Suspending FDIC Assessments on War Bond Sales

Support of the bill of Senator Wagner whereby so-called War Loan Deposit Accounts would be relieved from Federal Deposit Insurance assessments and from reserve requirements for the duration of the war and six months thereafter, was voiced by Marriner S. Eccles, Chairman of the Board of Governors of the Federal Reserve System at a hearing on the bill on Feb. 17, before the Senate Banking and Currency Committee. Mr. Eccles told the Committee that the bill has the approval of the Treasury, the Federal Deposit Insurance Corp., the Governors of the Reserve System, and the System's Open Market Committee. Leo T. Crowley, Chairman of the FDIC, also testified on the same day in favor of the bill, and following their testimony the Committee favorably reported the bill.

In his prepared statement, Mr. Eccles said that "the Reserve System has made a special effort and a concerted drive through all of the Reserve Banks to induce as many banks as possible to apply and qualify for War Loan Deposit Accounts." He added:

"The results so far have been gratifying, and a large number of banks, even though they may have felt that the war loan accounts should not be subject to deposit insurance assessments or to reserve requirements, have applied and qualified. There are still many thousands of banks which have not yet come in, and it is clear that the requirements of existing law, which this bill would suspend for the duration, are a real deterrent in many instances. Not only is a more widespread setting up of this convenient and necessary mechanism thus impeded, but banks that have war loan accounts are discouraged from utilizing them as fully as would be the case if these statutory requirements were suspended. Neither requirement existed when war loan accounts were originally authorized by Congress in the last war. We had no deposit insurance at that time and war loan accounts were not subject to reserve requirements before 1935.

"I hope that this measure will be promptly enacted so that the mechanism, which I have tried to outline very simply, may be as widely set up and as generally utilized as possible to facilitate the large financing operations which are ahead of us as long as the heavy requirements of the war situation continue."

Reporting that Committee members diverted the discussion toward inflation, the Associated Press accounts from Washington, quoted Mr. Eccles as follows:

"No government in a war period has been able to avoid inflation."

He added, however, that inflation "only can come by Congress appropriating money and failing to provide a method of collecting the money."

Purchasing power this year, he estimated, would be \$40,000,000,000 in excess of goods and services available. If the public saved in the same proportion as in 1942, however, he said, the gap would be shaved to about \$16,000,000,000.

This excess, he said, must be taken either in taxes or sale of Government securities to the public, and "to the extent that we don't get it, we will have inflation."

At the same time, the Associated Press indicated that Mr. Eccles told the Committee that the United States is doing a "very bad" job of war financing by comparison with other countries. The press advices likewise said:

"This country, he testified, is financing a 'much larger' percentage of its deficit by borrowing through banks instead of directly from the people than other nations. Taxation also is financing a smaller share of the borrowing than in other countries, he said."

Mr. Crowley, in his testimony, said that "we have been told that many bankers have made representations to the Treasury to the effect that they are loath to participate in the handling of war loan deposits because of our assessment of 1/12 of 1% per annum."

Mr. Crowley also told the Committee that "exemption of war loan deposits from the FDIC assessment and the FRB reserve requirements will practically eliminate the cost of handling such deposits."

From the Feb. 17 Washington advices to the "Journal of Commerce" we also quote:

"As a consequence," he said, "war loan deposits will be very profitable accounts."

"Mr. Crowley said that many bankers have told the Treasury Department they do not like to handle war loan deposits because of the FDIC assessment of 1/12 of 1% per year, and that the Treasury recommended the exemption as a war measure to facilitate financing.

"The FDIC Chairman added, however, that the corporation does not consider advisable any other reduction in the assessment or the exemption of any other class or type of deposit from assessment.

"We have no assurance that the present rate of assessment is adequate to meet future needs," he explained. "From 1865 to 1940, losses to depositors in closed banks would have averaged 1/2 of 1% per year of deposits in all commercial banks if, as has been the case in recent years, there had been no stockholders' double liability throughout the period. These loans are more than double the present rate of assessment. Had there been no major post-war adjustments and no major banking crises during that 76-year period, the rate of loss would have been just about equal to our present rate of assessment."

Mr. Crowley told the Committee that the quality of bank assets today is better than at any other time of record, and that, "with assets in excellent shape generally and reserves ample and flexible, the banks are able to support whatever financial program may be necessary to win the war."

He added that post-war financing will fall chiefly upon the banks, and that business may have to be financed without reduction in bank holdings of U. S. Government obligations.

While the impact of the war has been felt in a very uneven manner by the banks, Mr. Crowley said bank earnings are increasing, and "the increased taxes of the banks will be paid out of increased earnings rather than reduced profits."

On Feb. 18, Secretary of the Treasury Morgenthau denied any disagreement with the views of Mr. Eccles on war financing policy. Advices to the New York "Journal of Commerce" from the Washington bureau indicating this, also said, in part:

"Mr. Morgenthau told newsmen at his press conference that Mr. Eccles was party to Treasury war financing plans and said the Federal Reserve Board Chairman's remarks on the undesirability of bank borrowing were in complete conformity with his own views.

"On the subject of war financing, Mr. Morgenthau recalled that he had said earlier this week that bank borrowing was to be regarded as a last resort only, and that taxation and borrowing direct from the people were the preferable ways of meeting war costs.

"I don't see that Mr. Eccles has any different position," Mr. Morgenthau said. "I said the banks should be the last resort. That is our program, and, as far as I know, Mr. Eccles is wholly in sympathy with it."

One reporter mentioned that Mr. Eccles had pointed out that neither the Federal Reserve, the Treasury or anyone else could stop inflation but that the job was up to Congress.

"As far as I know, he and I see alike on this thing," Mr. Morgenthau replied.

## 1942 War Construction Doubled 1941 Volume

War construction activity in 1942, which reached a total value of \$12,145,059,000, more than doubled the 1941 volume and amounted to more than 97% of the program for the year, the War Production Board announced on Feb. 18.

Direct military construction during 1942, the WPB said, was three times the volume of the previous year, and factory construction was 2 1/2 times the 1941 total. Housing construction in the war production areas maintained the 1941 level, while construction of privately financed factories declined. The Board likewise stated that "the monthly volume of construction, which reached a peak of \$1,406,015,000 in August, declined for the fourth successive month to \$973,285,000 in December, a 31% drop from the year's high. The decline in monthly volume from November to December was 13%. As an indication of the trend for 1943, there was a further decline of 8% for January."

The WPB announcement also had the following to say:

"As a total, direct military construction in December was 16% under the November figure and the downward trend continued through January.

"War housing and public works construction dropped from \$121,671,000 in November to \$120,000,000 in December, a decline of 1%. Privately financed housing and public works construction showed moderate decreases, while government financed war housing showed a gain of 5%.

"Activity on government financed industrial expansion, including construction volume and machinery and equipment deliveries combined, which reached a total value of \$641,005,000 in November, dropped to \$605,458,000 in December, a loss of 6%. The volume of factory construction continued downward, being off 12% from November, while machinery and equipment deliveries showed a gain of 1%. Further increases in machinery and equipment deliveries, and decreases in plant construction, are forecast for the next few months.

"Plant construction work done for the Defense Plant Corporation in December was 3% less than in the previous month, while machinery and equipment deliveries in this category increased 8%. Construction work at Army ordnance plants continued to drop sharply with machinery and equipment deliveries still increasing.

"By type of facility, construction decreases occurred in all categories except aircraft. Machinery and equipment deliveries increased at aircraft plants, and at plants manufacturing machinery and machine tools, and other industrial facilities. Notable increases by individual type occurred at synthetic rubber plants, where the construction volume in December was three times as great as in November, and at tank plants and machine tool plants, where machinery and equipment deliveries doubled."

## Further Rise In Industrial Activity In January, Federal Reserve Board Reports

In its summary of general business and financial conditions in the United States, the Board of Governors of the Federal Reserve System reported on Feb. 25 that "industrial activity rose further in January and the first half of February. Retail sales continued in large volume in January and were at an exceptionally high level early in February." The Board in its advices further reports:

### Production

Volume of industrial production showed another marked gain in January, reaching a level of 200% of the 1935-1939 average, according to the Board's adjusted index, compared with 197% in December. The increase reflected largely a growth in activity in the munitions industries, including production of chemicals for war purposes.

Activity at shipyards and in aircraft and machinery plants continued to expand sharply. Deliveries of completed merchant ships in January were somewhat less than in December but were still at the high level of over 1,000,000 deadweight tons. Total iron and steel production rose to the level of last November, but was still slightly below the October peak, and electric steel output, important for munitions manufacturing, reached a record level 5 1/2 times as large as in the 1935-1939 period. Operations at steel mills were near capacity during the first three weeks of February.

Non-durable manufacturers, as a group, continued to show little change. Production of meats under Federal inspection, except beef, declined sharply from the high level in December. Output of most other foods was maintained; production for military and Lend-Lease needs, particularly of highly processed foods, rose further and there was a corresponding decline in output of these products for civilians. Newsprint consumption declined in January as a result partly of a Federal order restricting newsprint use.

Mineral production declined slightly in January, reflecting a small reduction in output of crude petroleum. Output at coal and metal mines showed little change. Anthracite production in the first half of January was reduced by an industrial dispute, but for the month of January as a whole, output was only 3% lower than in December.

Value of construction contracts awarded, according to figures of the F. W. Dodge Corporation, was much smaller in January than in other recent months, but was still slightly higher than a year ago. Reductions occurred in all types of public awards, which now account for most of the total. A decline has been indicated for some time as a result of actions of the War Production Board designed to limit construction activity to projects that are essential. On Oct. 23, 1942, it had established a committee to review proposals for new construction; through February 12, work on projects estimated to cost \$1,300,000,000 was stopped either by the War Production Board or by the Government agencies initiating them.

### Distribution

Distribution of commodities to consumers was in large volume in January and the first half of February. Retail sales of merchandise declined less than seasonally in January and rose sharply in the first half of February when a buying wave developed, particularly in clothing. At department stores, sales increased considerably in the first week of February and then reached an exceptionally high level during the second week, stimulated partly by the announcement of shoe rationing.

Freight carloadings declined somewhat less than seasonally in January and the adjusted index increased 1%. Miscellaneous

loadings accounted for most of the rise. Substantial increases in loadings of most types of commodities occurred in the first two weeks of February.

### Commodity Prices

The average level of wholesale commodity prices continued to advance in January and the early part of February. Prices of most farm products showed further increases. Maximum wholesale and retail prices were raised for a number of miscellaneous commodities including coal, while reductions were effected in maximum prices for some items like rayon tops and waste.

Retail prices of foods continued to rise from mid-December to mid-January with increases largely in meats, dairy products, and processed fruits and vegetables.

### Bank Credit

Excess reserves of member banks declined from an average level of about \$2,200,000,000 in the last half of January to \$1,600,000,000 early in February, but increased somewhat around the middle of the month. Increases in currency in circulation continued to be the major factor responsible for the decline, although substantial fluctuations occurred in Treasury balances and Reserve Bank credit. Most of the decline in excess funds was at banks in New York City and Chicago, where reserves have recently been close to legal minimum requirements. Over the five-week period ending February 17, the currency drain amounted to \$520,000,000, bringing total currency in circulation to \$15,800,000,000 on February 17.

Holdings of Government obligations at reporting banks in leading cities outside New York and Chicago increased by \$640,000,000 over the five-week period ending February 17. At banks in New York and Chicago, holdings of Government securities declined by \$360,000,000, principally through sales to the Reserve Banks for the purpose of restoring reserves. Government deposits at banks were reduced in the period, while other deposits increased.

### United States Government Security Prices

Following a rise in the first half of January, prices of United States Government securities have been steady.

## Lumber Movement—Week Ended Feb. 20, 1943

According to the National Lumber Manufacturers Association, lumber shipments of 439 mills reporting to the National Lumber Trade Barometer exceeded production by 17.1% for the week ended Feb. 20, 1943. In the same week new orders of these mills were 31.8% greater than production. Unfilled order files in the reporting mills amounted to 89% of stocks. For reporting softwood mills, unfilled orders are equivalent to 39 days' production at the current rate, and gross stocks are equivalent to 40 days' production.

For the year to date, shipments of reporting identical mills exceeded production by 18.5%; orders by 23.1%.

Compared to the average corresponding week of 1935-39, production of reporting mills was 31.5% greater; shipments were 33.0% greater, and orders were 50.1% greater.

## US And United Nations To Discuss Methods Of Preparing For Post-War Problems

Under-Secretary of State Sumner Welles declared on Feb. 26 that the United States "intends at once to undertake discussions with other members of the United Nations as to the most practical and effective method" of preparing for post-war problems.

In an address before the special convocation of the University of Toronto at Toronto, Mr. Welles warned that if the United Nations do not initiate studies "there is danger that we shall be brought together to make the peace with as many plans as there are governments."

Mr. Welles, who was awarded an honorary degree of Doctor of Laws by the university, reiterated his belief that the United Nations must stand together in the post-war world "assuming a joint responsibility for making completely sure that the peace of the world is not again violated."

He expressed the belief "that if the United Nations were to set up machinery for the purpose of assembling and studying all international aspects of problems under the general heading of freedom from want, and for assembling all the pertinent facts and considerations relating thereto, and for jointly analyzing all facts and considerations relating to measures or policies proposed for furthering the end in view, the controversies and conflicts of policy which have so long embittered relations in the international economic field, and therefore generally, might largely disappear."

Declaring that "a policy of international cooperation" is, in fact, "a policy of advantageous hard-headed realism," Mr. Welles said that the real self-interest of one nation coincides with the permanent, with the ultimate, self-interests of other nations.

He recalled the failure after the last World War of creating an effective international organization with judicial and police powers and warned that if the nations do not collaborate at the conclusion of this war "there can be no result other than disaster."

Mr. Welles cited the international relationship existing between the Western Hemisphere nations and expressed confidence that "the same form of relationship can be achieved in all regions of the world."

The text of the Under-Secretary's address follows, according to the Associated Press:

I am deeply conscious of the privilege you have afforded me of addressing this convocation of the University of Toronto.

During the century of its magnificently vigorous life this great institution of learning has become, in the field of education, one of the recognized glories of our New World. In its notable contributions to the welfare of humanity and to the inspiration of the human spirit, all of us who are citizens of the Western Hemisphere can justly feel satisfaction and pride.

It is for that reason that I am so greatly honored by the degree which the University of Toronto is today conferring upon me.

I know, of course, of the long line of graduates from these halls who have distinguished themselves in so many varied branches of public endeavor, and I am therefore also peculiarly gratified that from now on I may lay claim—at least an honorary claim—to a connection with the university from which graduated the present Prime Minister of Canada.

You will, I feel, permit me to say that while I know how highly and how justly his outstanding abilities and achievements are recognized in other parts of the world, there is no place outside of his own country where he has won more affectionate regard, or a higher measure of sincere admiration, than in the United States.

The peoples of our two countries are singularly blessed, in

these the most critical moments of their history, that the guidance of the destinies of our two nations should have been entrusted at this time to two men, Mackenzie King and Franklin Roosevelt, who have ever believed in the need for complete confidence and understanding between the peoples of Canada and of the United States, and who have done more than any other two men similarly placed in the course of our national lives to strengthen in real and practical fashion that friendship which is so vital to the well-being and to the security of us both.

Today our peoples are fighting side by side to defend their liberties, and to bring to utter defeat the band of dictators who have dared to think they could extinguish the light of democracy in the modern world. And we recognize fully how long and bitter the road may still be before the final victory is won.

Canada and the United States have had very similar problems in this war. We have met them in similar ways, and in collaboration, in the spirit of the Ogdensburg and the Hyde Park agreements.

Our naval and military forces are cooperating closely in both oceans and on our land frontiers. In production we have both faced shortages of raw materials, labor and manufacturing facilities, and our Governments have imposed effective, and often parallel, controls to overcome these shortages.

We have both put our civilian economy on rations, increased taxation and regulated prices. We have sought to supply each other with the things of which one of us was short, and to coordinate our production facilities and resources in the most effective ways.

Both of us are arsenals of the United Nations, and in that, too, we have followed a like policy. That policy is first that food and munitions are dispatched to the places where they can be most useful in the conduct of the common war and, second, that deliveries to countries that are not in position to make payment now are on terms that do not create impossible financial obligations later. Both of us are seeking to avoid the creation of uncollectable and trouble-breeding war debts.

The present high degree of economic cooperation between our two countries for the purpose of making as great a contribution as possible to the pooled war effort of the United Nations is extremely gratifying to us and must be so to our Allies. Fortunately, the groundwork for this close collaboration was laid years before the outbreak of war. I refer primarily to the two reciprocal trade agreements between us; the first of which entered into force on Jan. 1, 1936, and the second of which, replacing the first, became effective on Jan. 1, 1939, the first day of the year in which Hitler forced upon Europe the war that was destined to spread over the globe.

The trade agreements we entered into in the days of precarious peace went a long way to heal the economic wounds, and attendant ill feeling, each of us had dealt the other in earlier years after the First World War.

On my side of the line there had been the so-called Emergency Tariff Act of 1921, followed immediately by a general upward revision of the tariff in the Act

of 1922; then, on the brink of the worst economic depression the world has suffered, came the monumental barrier created by the Hawley-Smoot Tariff Act of 1930.

In our revenue act of 1932 two of the four products subjected to new excise taxes by means of a rider to that legislation—lumber and copper—were and are of great interest to Canada. These measures in their collective effect struck hard at the trade of other countries. Canada felt the effects as much as any other country—perhaps more than any other.

Action on your side of the line was not slow in coming. You may recall that Canadian duties on a considerable number of products normally imported from the United States were raised automatically to the levels provided for on the same products in our Tariff Act of 1930.

Every one remembers the Ottawa agreements of 1932, when the members of the British Commonwealth of Nations turned their backs upon the United States and all countries and made a desperate effort to make up for lost and depressed markets elsewhere by tariff preferences intended to encourage an expansion of trade with the British Empire. Every country felt the effects of the Ottawa agreements; none, I believe, more than did the United States.

I mention these historical facts because they serve to remind us of past mistakes, still by no means completely remedied, that must be avoided after this most costly of all wars, in men and wealth, has been brought to an end by our common victory. They also serve to emphasize the fundamental necessity of carrying forward constructively the task of economic cooperation between us begun with the first trade agreement and continued ever since.

The governments of your country and mine see eye-to-eye on this. They have formally declared their intention to seek common goals in peace as well as in war.

On Nov. 30 last, in an exchange of notes, our two governments took another important step along the road to a better world after victory. We agreed not only to try to promote mutually advantageous economic relations between ourselves, but to seek the cooperation of other nations of like mind in promoting the betterment of world-wide economic relations.

These aims involve appropriate national and international measures to expand production, employment and the exchange and consumption of goods; elimination of all forms of discriminatory treatment in international commerce; reduction of tariffs and other trade barriers, and generally, attainment of the economic objectives of the Atlantic Charter through the collaboration of the United Nations which are willing to join with us in the realization of these objectives.

Many of the United Nations, through Article VII of their mutual-aid agreements with the United States, have already joined in this same declaration of post-war economic objectives.

Our two countries, in the same exchange of notes, have expressed our intention to do something concrete about our declaration of aims by discussing soon with other United Nations how we two and other like-minded nations can agree upon a program to carry out these aims. They seek to furnish to the world practical evidence of the ways in which two neighboring countries that have a long experience of friendly relations and a high degree of economic interdependence, and that share the conviction that such reciprocally beneficial relations must form part of a general system, may promote by agreed action their mutual interests to the benefit of themselves and other countries.

I am not so bold as to venture a prediction here as to the details of such a program. However, I am confident that we can march together, with other forward-looking nations, along the road to a fruitful and secure post-war world, provided the people on both sides of the line support their governments, with understanding and determination, in their efforts to do everything within their power to achieve these great objectives.

When the war ends similar problems will face us both. We shall both confront the task of demobilization, and we shall both endeavor to make sure that the young men—and the young women—who are discharged from military service have a real chance to find useful and productive employment. Both of us prefer the system of free enterprise, and we shall both desire to lighten government controls as rapidly as the phenomenon of scarcity vanishes and conditions permit free enterprise to play its proper role.

Both of us will find our industries still working largely on war orders, and the problems of conversion will be urgent. Both of us will want to make our contribution to the relief and reconstruction of the devastated countries, and we shall want to make that contribution in the way which will help the peoples of those regions get back to health and strength and to self-reliance as rapidly as possible.

We shall both be interested in possible international arrangements about gold, and currencies, and international investment. And we shall both desire to increase the economic interchange between us and with others on the most fruitful basis possible.

On all these questions we can talk usefully together as we have agreed to do. Our discussions will become even more useful as we undertake to conduct them in an even larger framework, the framework of the whole United Nations.

There is no disagreement anywhere as to what the United Nations want. They want full employment for their people at good wages and under good working conditions and the other physical and institutional arrangements that add up to freedom from want. But differences of opinion doubtless exist within and between the several countries as to the means to be adopted—divergencies may arise as to the desirability or efficacy of particular policies or measures.

An examination of the causes of any disagreement will usually reveal that it exists mainly because people are considering the question from different viewpoints, that the parties are basing their judgments on different or incomplete facts and different considerations. If both parties had the same facts and considerations in mind, and if each knew fully the reasons behind the position taken by the other, there would much more quickly be a meeting of minds.

This is true not only of individuals but also of nations, and it suggests the need for joint as well as separate study of the facts and considerations relating to proposals aimed at attaining the desired ends.

I believe that if the United Nations were to set up machinery for the purpose of assembling and studying all international aspects of problems under the general heading of freedom from want, and for assembling all the pertinent facts and considerations relating thereto, and for jointly analyzing all facts and considerations relating to measures or policies proposed for furthering the end in view, the controversies and conflicts of policy which have so long embittered relations in the international economic field, and

therefore generally, might largely disappear.

If the analysis were thorough enough, and the problems of each country were fully understood by the others, solutions could be found that would serve the interests of all concerned. Nothing is more clear to my mind than this: if all aspects of an economic problem were explored, it would become apparent that the basic interests of all countries are largely common interests, that each country's economic problems are related to, and inseparable from, those of the others.

A United Nations study such as I have in mind would explore in careful, thorough and systematic way world problems in the economic field, toward the solution of which much progress must be made if we are to have anything approaching the goal of freedom from want in our own countries or elsewhere.

People and governments here and everywhere are studying these problems; are searching for solutions. The plans of one government or group of governments may seem sound enough in the light of their own interest, but may contain flaws which are visible only from the viewpoint of other governments or countries.

If the study to which I have referred did no more than detect and focus attention on such flaws, if it did no more than prevent the crystallization in one country or group of countries of ideas which are objectionable from the viewpoint of others, it would serve a highly useful purpose.

It is, however, my hope and belief that a United Nations undertaking such as I have suggested would be able to formulate plans and recommendations of a constructive sort—to find, so to speak, common denominators which, in the net, would be advantageous to all.

Failing to begin such organized study and discussion now, there is danger that divergent views and policies may become crystallized, to the detriment of the common war effort, and to the detriment of efforts to bring about a peace that will be more than a brief and uneasy interlude before another even more horrible and more destructive war devastates and depopulates the world.

My government believes that the initiation of such studies is already overdue. If we do not make a start now, there is danger that we shall be brought together to make the peace with as many plans as there are governments.

The day of complete victory cannot come too soon; we all give thanks to God for every advance we make toward that goal, at every sign of weakness in our enemies. Between now and that day we must endeavor to prepare ourselves to meet the responsibilities, and to make the most of the opportunities, that peace will bring.

I am glad to say that my government intends at once to undertake discussions with other members of the United Nations as to the most practical and effective methods through which these vitally necessary conferences and consultations between us all can be held.

It is my conviction that from these meetings a large measure of agreement will already be found to exist; that solutions will be available for such divergencies as may be apparent; and that in the last analysis it will be found that what may even appear to be fundamental obstacles can be resolved in the interest of the welfare of us all.

What the people of the United States are striving for, I am persuaded, is exactly what the people of Canada are striving for. They seek the attainment of the noble objectives set forth in the Atlantic Charter. They seek to

achieve these ends, not because of any altruistic motives, not through the dictates of any theoretical idealism, but rather because they believe that the attainment of these objectives will be in their own self-interest—and I believe that in my own country we have learned through the bitter experience of the past quarter of a century that the most practical form of self-interest is enlightened self-interest.

We have seen beyond the shadow of any doubt that a policy of international cooperation which far too many told us 24 years ago was a policy of suicidal sentimentality was, in fact, a policy of advantageous hard-headed realism.

Most of us have learned a great truth that is beginning to dawn upon the consciousness of many peoples in all parts of the globe, and that is that the real self-interest of one nation coincides with the permanent, with the ultimate, self-interests of other nations.

For there is no people which will not benefit more by peace than by war. The preservation of peace and the practice of human tolerance must come to be recognized by every nation and by every government as the indispensable requisites of all peoples. Never again can humanity permit dictator demagogues once more to proclaim the alleged virile glories of war or the cruel falsehood that there exists a master race.

No rational man or woman today can question the fact that had the nations of the world been able to create some effective form of international organization in the years that followed the close of the last great World War, and had been able to bulwark that organization with judicial and police powers, the devastating tragedy which humanity today is undergoing would have been avoided. From the standpoint of material self-interest alone, leaving aside every moral consideration, the lot of every one of our fellow-citizens would have been far better.

No one can appraise the cost of the present war in terms of life and human suffering. But we can appraise its cost in material terms, and we know that as a result of this material cost, the standard of living of every individual in every region of the world will be impaired.

If at the conclusion of this war the governments of the United Nations are not afforded by their peoples the opportunity of collaborating together in effective policies of recovery, or of assuming a joint responsibility for making completely sure that the peace of the world is not again violated, there can be no result other than utter disaster. The structure of our civilization is not so tough as to make it conceivable that it would resist a repetition of the present holocaust.

We have evolved here in the New World a system of international relationships which constitutes perhaps the highest achievement in the sphere of practical international living which civilized man has so far created. From the historical standpoint it is very recent indeed, but it has grown, gradually perhaps but nevertheless steadily, throughout the period of the individual life of the democracies of the Americas.

It is a system in which the smallest State is just as free to determine its own destiny as the largest State.

It is a system where the smallest State feels just as secure as the largest State, because of its knowledge that its independence and integrity are a matter of vital concern to its more powerful neighbors, and because of its assurance that should its liberties be jeopardized by aggression coming from without, the Western Hemisphere's more powerful

neighbors will take the action necessary to repel that danger.

Every region of the world possesses its own peculiar problems, its own special advantages and its own inherent difficulties. We hear much of the age-old rivalries which have persisted in Europe and in other quarters of the globe. But I think that we of the Americas can say that if 22 independent democracies such as those which occupy North, Central and South America—of different races, of different languages and of different origins—can achieve the measure of progress which we now have achieved toward a peaceful and humane relationship and toward profitable economic cooperation, that same form of relationship can be achieved in all regions of the world.

The creation of that same kind of decent international relationship by all peoples is the objective today of the United Nations. I am confident that after the unconditional surrender of our common enemies that objective will be attained.

Through our continued cooperation the peace of the world can be maintained, for with the defeat and total disarmament of the Axis powers, there can be no further conflict — if the United Nations stand together.

We cannot permit this time that the supreme sacrifice which our sons and our brothers are making in the defense of our liberties shall be made in vain. Only through our combined efforts can we make certain that the victory which we will win in battle can become in fact the victory of peace.

**Whitwell Heads Phila. C. of C-Board of Trade**

George E. Whitwell, Vice-President of the Philadelphia Electric Co., has been elected President of the merged Chamber of Commerce and Board of Trade of Philadelphia.

Mr. Whitwell had filled the post since the merger last fall, referred to in these columns Oct. 1, page 1192.

Four new Vice-Presidents elected are: Frank M. Hardt, John B. Knox, Charles K. West and George M. Richardson.

J. William Hardt was re-elected Treasurer, and C. William Johnson was chosen Assistant Treasurer. Other officers elected were George W. Elliott, General Secretary; Henry W. Wills, Secretary, and A. R. Okum, Assistant Secretary, and Robert T. McCracken, General Counsel.

Nine new directors, who had not served previously, were seated by the board. They were E. K. Daly, Walter D. Fuller, Charles A. Gill, A. L. Hallstrom, Marshall V. Moss, Hudson W. Reed, Dr. Mervyn Ross Taylor, Clarence Tolan, Jr., and Paul Zens.

**Resigns WPB Post**

Lou E. Holland has resigned as a Director of the Smaller War Plants Corporation and Deputy Chairman of the War Production Board in charge of the Smaller War Plants Division.

In his letter to WPB Chairman Donald M. Nelson, Mr. Holland explained that "the recent action involving the management of the Smaller War Plants Corporation is detrimental to the cause of small business and the war effort." In January Mr. Holland was succeeded as Chairman of the SWPC by Col. Robert M. Johnson. At the same time Col. Johnson was made a Vice Chairman of the WPB outranking Mr. Holland.

Mr. Nelson, in accepting the resignation said he did not agree with Mr. Holland's viewpoint but that the sole reason for the organizational change "was to make our work for and with small business more effective."

**FDR Urges Adherence To Faith of Washington; Warns Against Disunity And Over-Optimism**

President Roosevelt warned the nation on Feb. 22 that it still faces "reversals and misfortunes" in the war and cautioned against those Americans who "proclaim that victory is just around the corner."

In addressing Washington Birthday dinners by radio, the President also criticized the "many Americans who sneer at the determination to attain freedom from want and freedom from fear" and those "whose words and writings are trumpeted by our enemies to persuade the disintegrating people of Germany and Italy and their captives that America is disunited—that America will be guilty of faithlessness in this war and will thus enable the Axis powers to control the earth."

The President's speech was directed to the fund-raising dinners under the auspices of the Democratic National Committee. He also cited the faith of George Washington in the midst of great adversities as bringing about the successful outcome of the Revolutionary War and urged the recalling of his traits in conducting our lives today.

The President's address follows: Today this nation, which George Washington helped so greatly to create, is fighting all over this earth in order to maintain for ourselves and for our children the freedom which George Washington helped so greatly to achieve. As we celebrate Washington's birthday, let us remember how he conducted himself in the midst of great adversities. We are inclined, because of the total sum of his accomplishments, to forget his days of trial.

Throughout the Revolution, Washington commanded an army whose very existence as an army was never a certainty from one week to another. Some of his soldiers and even whole regiments could not or would not move outside the borders of their own states. Sometimes, at critical moments, they would decide to return to their individual homes to get the plowing done or the crops harvested. Large numbers of the people of the colonies were either against independence or at least unwilling to make great personal sacrifice toward its attainment.

And there were many in every colony who were willing to cooperate with Washington only if the co-operation was based on their own terms.

Some Americans during the War of the Revolution sneered at the very principles of the Declaration of Independence. It was impractical, they said—it was "idealistic"—to claim that "all men are created equal, that they are endowed by their Creator with certain inalienable rights."

The skeptics, the cynics of Washington's day did not believe that ordinary men and women have the capacity for freedom and self-government. They said that liberty and equality were idle dreams that could not come true—just as today there are many Americans who sneer at the determination to attain freedom from want and freedom from fear on the ground that these are ideals which can never be realized. They say that it is ordained that we must always have poverty and that we must always have war.

They are like the people who carp at the Ten Commandments because some people are in the habit of breaking one or more of them.

We Americans of today know that there would have been no successful outcome to the Revolution, which gave us liberty, had it not been for George Washington's faith and the fact that that faith overcame the bickerings and confusion and the doubts which the skeptics and cynics provoked.

When kind history books tell us of Benedict Arnold, they omit dozens of other Americans who,

beyond peradventure of a doubt were also guilty of treason.

We know that it was Washington's simple, steadfast faith that kept him to the essential principles of first things first. His sturdy sense of proportion brought to him and his followers the ability to discount the smaller difficulties and concentrate on the larger objectives. And the objectives of the American Revolution were so large—so unlimited—that today they are among the primary objectives of the entire civilized world.

It was Washington's faith and, with it, his hope and his charity, which was responsible for the stamina of Valley Forge—and the prayer at Valley Forge.

The Americans of Washington's day were at war. We Americans of today are at war.

The Americans of Washington's day faced defeat on many occasions. We faced, and still face, reversals and misfortunes.

In 1777, the victory over General Burgoyne's army at Saratoga led thousands of Americans to throw their hats in the air, proclaiming that the war was practically won and they could go back to their peace-time occupations and "normalcies."

Today, the great successes on the Russian front have led thousands of Americans to throw their hats in the air and proclaim that victory is just around the corner.

Others among us still believe in the age of miracles. They forget that there is no Joshua in our midst. We cannot count on great walls crumbling and falling when the trumpets blow and the peoples shout.

It is not enough that we have faith and that we have hope. Washington himself was the exemplification of the other great need.

Would that all of us could live out lives and direct our thoughts and control our tongues as did the father of our country in seeking day by day to follow those great verses:

"Charity suffereth long, and is kind; charity envieth not; charity vaunteth not itself, is not puffed up;

"Doth not behave itself unseemly, seeketh not her own, is not easily provoked, thinketh no evil: "Rejoiceth not in iniquity but rejoiceth in the truth."

Most of us Americans seek to live up to those precepts. But there are some among us who have forgotten them. There are Americans whose words and writings are trumpeted by our enemies to persuade the disintegrating people of Germany and Italy and their captives that America is disunited—that America will be guilty of faithlessness in this war and will thus enable the Axis powers to control the earth.

It is perhaps fitting that on this day I should read a few more words spoken many years ago—words which helped to shape the character and the career of George Washington.

"Blessed are the poor in spirit: for their is the kingdom of heaven.  
"Blessed are they that mourn: for they shall be comforted.  
"Blessed are the meek: for they shall inherit the earth.  
"Blessed are they which do hunger and thirst after righteousness: for they shall be filled.  
"Blessed are the merciful: for they shall obtain mercy.  
"Blessed are the pure in heart: for they shall see God.  
"Blessed are the peacemakers: for they shall be called the children of God.  
"Blessed are they which are persecuted for righteousness' sake: for their is the kingdom of heaven.  
"Blessed are ye, when men shall revile you, and persecute you, and shall

say all manner of evil against you falsely, for my sake. Rejoice, and be exceeding glad: for great is your reward in heaven: for so persecuted they the prophets which were before you."

Those are the truths which are the eternal heritage of our civilization. I repeat them to give heart and comfort to all men and women everywhere who fight for freedom.

Those truths inspired Washington and the men and women of the thirteen colonies.

Today, through the darkness that has descended upon our nation and our world, those truths are a guiding light to all.

We shall follow that light, as our forefathers did, to the fulfillment of our hopes for victory, for freedom and for peace.

**Ratio Of Bank Profits To Capital Funds Down In St. Louis Res. Dist.**

Net profits of all member banks of the Federal Reserve Bank of St. Louis averaged 6.5% of their invested capital funds in 1942, according to the results of a study of 1942 operating ratios of 433 member banks in the Eighth District, issued on March 2 by the St. Louis Reserve Bank. This figure compares with 8% realized in 1941 and reflects higher bank operating costs and taxes. Member banks declared cash dividends equivalent to 2.9% of capital funds.

The Reserve Bank's announcement on its study further said:

"Due to declining loan volume, operating earnings from interest and discount on loans accounted for 54.5% of total operating earnings as opposed to 60.3% in 1941. Although average yields on investments were generally lower in 1942, the larger volume of Government security holdings brought operating earnings from interest and dividends on securities to 28.3% of all operating earnings, as compared with 24.1% a year earlier. Service charges contributed 5.7% of operating earnings in 1942, up slightly from last year.

"Current expenses in 1942 absorbed 73.6% of operating earnings, while in 1941 only 71.1% was so absorbed. Taxes, negligible in 1941, accounted for 3.3% of earnings in 1942."

**P. F. Jones Named To National Insurance Body**

Paul F. Jones, Illinois Director of Insurance, has been appointed to the Executive Committee of the National Association of Insurance Commissioners, succeeding Louis H. Pink, former New York Insurance Superintendent. Mr. Pink retired as New York Commissioner last month creating the vacancy on the committee. Mr. Jones, whose home is at Danville, Ill., was named Director of Insurance by Governor Dwight H. Green two years ago. Since his appointment, he has taken active part in the activities of the National Commissioners' body, having been a speaker at its annual meeting held at Detroit and serving on several of its important committees.

Before his appointment as Director, Mr. Jones, who is a well-known attorney, was appointed to be U. S. Attorney for the Eastern District of Illinois in 1930. In talks Mr. Jones has made before groups throughout the State, he has advocated support for free enterprise of American business, save when governmental supervision is in the interest of public welfare.

Mr. Pink's resignation as New York State Insurance Superintendent to become head of the Associated Hospital Service of New York was noted in these columns Dec. 24, page 2256.

## Reviews Overtime Pay Requirements Under Wage-Hour And Public Contracts Laws

(Continued from first page)

total of not more than 14 work-weeks in any one year.

Exemption from the overtime provisions further applies to employees working under an agreement made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board. Such an agreement must provide for an absolute maximum of 1,000 hours' work in any period of 26 consecutive weeks or 2,080 hours' work in any period of 52 consecutive weeks. In the latter case there must be a guarantee of a fixed annual wage or annual employment. In either case work over 12 hours a day or 56 hours a week must be paid for at the rate of time-and-one-half.

"In addition to the overtime pay exemptions under the Wage and Hour Law the Administrator also pointed out that there are exemptions from the overtime pay as well as minimum wage requirements of the Walsh-Healey Public Contracts Act. This law sets forth the conditions under which supplies for the Government may be contracted for and produced, where such contracts are in excess of \$10,000. In addition to providing for rates of pay and overtime, it sets up health and safety standards and prohibits the production of supplies for the Government with the use of child labor or convict labor.

"Like the Fair Labor Standards Act, the Public Contracts Act provides for the payment of min-

imum wages to covered employees. Differing slightly from the Federal Wage and Hour Law, it provides for the payment of time-and-one-half after 40 hours a week, or 8 hours a day, whichever amount is larger."

Mr. Walling suggested that the surest standard of determining which employees were covered and which were not under the Public Contracts Act is the manner in which the work of fulfilling Government contracts is actually done. In general, those workers who are actually employed in the production of the materials or supplies are the covered employees. Exempt from the Act entirely, even though they are employed by the plants producing the materials, are office and clerical workers, supervisory employees and maintenance workers. The last includes such employees as electricians, elevator operators, watchmen, janitors, cleaners, other custodial employees and engine-room employees.

The Administrator pointed out that any employee who is exempt as an executive, administrative, or professional worker under the Fair Labor Standards Act is also exempt under the Public Contracts Act. He pointed out, however, that many workers who might be exempt from the provisions of the Public Contracts Act would still be entitled to the benefits of the Fair Labor Standards Act.

## Proposes An International Bank With Capital Of Gold And Critical Materials

A plan for an international bank with capital composed of gold and critical materials was laid before the House Foreign Affairs Committee on Feb. 17 by Representative Dewey (Rep., Ill.) as the "fundamental instrument" for rehabilitation in the post-war world. This is learned from Associated Press accounts from Washington which stated that Mr. Dewey in describing his proposal, suggested that the United States could contribute its share of the capital from its stock of gold while Allied nations would give theirs in critical materials, such as tin and nickel. The Associated Press also had the following to say regarding Representative Dewey's proposal:

"Benefits of the plan, Mr. Dewey suggested, would be a control both of a vast quantity of critical materials which would help prevent building armaments for a future war while also serving in rehabilitation capacities, and a quantity of gold which could be used as foreign exchange.

"Mr. Dewey, an Assistant Secretary of the Treasury in the Coolidge Administration, described the proposed bank as a 'sort of international cartel.' He advised that it have two boards of directors: an executive board made up of men of money and international financial experience to run it on a business basis, and a policy board composed of men who could give attention to the social aspects of international problems.

"The United States, he suggested, should own 51% of the shares of the bank and an American should be its director. He further proposed that all critical stockpiles be lodged in the United States as rapidly as possible."

## To Confer On World Food

President Roosevelt revealed on Feb. 23 that consideration was being given to calling a meeting of representatives of the United Nations to discuss post-war world food problems. Mr. Roosevelt emphasized that it would not be related to relief which is being studied as a separate matter.

The conference, the President hoped, would be held in the spring and would be in the nature of a

survey dealing with the more permanent food supply of the world.

As to whether plans call for a continuing organization, Mr. Roosevelt said that depended on what was decided at the first conference. Nothing definite has been agreed on, he added.

## New Business Fields For Trust Institutions Envisioned By Neal

A large field of potential business for trust institutions willing to undertake a program of new business activities and public relations was envisioned on Feb. 16 by William H. Neal, Vice-President of the Wachovia Bank and Trust Co., Winston-Salem, N. C., in an address before the Wartime Conference on Trust Problems held in New York City by the American Bankers Association.

Mr. Neal said that in spite of the fact that creation of large estates, which formerly were the best sources of new business for trust institutions, is diminishing, there are four types of new business these institutions can obtain if they are alert and aggressive.

"It is all too true that the chances of creating large estates in the future have been greatly reduced, but there are many mitigating circumstances which serve to lessen the effect this may have upon trust institutions," Mr. Neal asserted. He added:

"In the first place, there are probably now in existence as many large estates as have existed at any time during the past decade. From now on, these estates are not likely to increase in size, and there will be little chance to develop other large fortunes. Never-

theless, for some years to come our trust departments will have about as much of this kind of business as they have ever had. The decline will be gradual, not precipitate, thus allowing trust men ample time in which to adapt and adjust.

"Furthermore, settling large estates has never been the sustaining business of the great majority of our trust institutions. It was good business if they could get it; but they got too little of it. Only in the metropolitan centers has it been a major factor. This is clearly indicated by the nation-wide survey made last year by the Trust Division's Committee on Trust Information. It was revealed that 76% of all trusts administered by trust institutions had an annual income of less than \$3,000, and the average income of this group was \$748. It also showed that 59% of all trusts had an income of less than \$1,200 a year, with an average of \$369. Small and medium sized units of business have been, and will continue to be, the life blood of the trust business.

"Despite taxes and limitations on incomes, more medium sized estates, in the range of \$25,000 to \$250,000, are being built up today than ever before. A small number of persons emerged from World War I with great fortunes. A large number will emerge from World War II with moderate sized estates. If you doubt that, ask the credit man in your bank who reviews individual and corporate financial statements.

"With less chance of large profits or incomes, more careful management of incomes with greater emphasis on conserving for the future will prevail. All of the billions from individual incomes now going into War Bonds, will not be spent for automobiles and other consumer goods in the post-war period.

"From these facts we can draw only one conclusion. There is, and will continue to be, a great field of potential trust business waiting to be served. There is a real future for the corporate fiduciary, and I am convinced that it is a bright future for those who have the vision to see it and the aggressiveness to prepare for it."

## Ill.-Wis. Home Loan Units Lead Bond Sales

The sale of \$41,787,747 of war bonds by the close of 1942 was reported for the savings, building and loan associations in Illinois and Wisconsin, according to the Federal Home Loan Bank of Chicago, whose district comprises the two States. A. R. Gardner, President of the bank, said that six of the associations had sold more than \$1,000,000 of bonds and that one of them was hovering around \$3,000,000 in total sales.

Meanwhile, the associations in this district achieved their ninth successive month of supremacy in the just published war bond honor roll of member institutions of the Federal Home Loan Bank system all over the nation. As of Nov. 30, latest date for which the national tabulation is available, one out of every 4.8 associations in the country which have sold bonds equal to 15% of their own assets are located in these two States.

## Mortgage Lending Down 24% in 1942

Mortgage lending by the 3,800 member savings and loan associations of the Federal Home Loan Bank System during 1942 was nearly 24% less than in 1941, but remained well above the activity of the pre-war 1936-1939 period; it was reported on Feb. 13 by economists of the Federal Home Loan Bank Administration. Total loans during the year amounted to \$888,908,000, as compared with \$1,168,000,000 in 1941, \$993,000,000 in

1940 and \$797,000,000 in 1939. The advice likewise stated:

"Limitations on the construction of new homes were, of course, the main factor in the 1942 decrease. Analysis on the basis of the purpose for which the loans were made reveals a 57% drop in loans for the building of houses, as compared with a maximum decline of 31% for loans for any other purpose.

"Home-purchase loans became the backbone of all home-financing operations in 1942, as almost 55% of the total volume of the associations was for this purpose."

## March Proclaimed As 'Red Cross Month'

President Roosevelt on Feb. 23 designated March as "Red Cross Month" and urged the people to contribute generously to the organization's war fund drive for \$125,000,000.

In his proclamation the President noted that the demands made upon the Red Cross are steadily increasing and asked the people "to rededicate themselves to the splendid aims and activities of the Red Cross" during March. The President's proclamation follows:

"Whereas the American National Red Cross during the first year of our participation in the war has rendered vital humanitarian services to the members of our armed forces and to their families;

"Whereas the demands made upon the Red Cross are steadily increasing from day to day as it is called upon to accompany our Army and Navy into world-wide theatres of action, to provide blood plasma for our wounded, to send relief to American and United Nations prisoners of war, and to expand its preparations to meet emergencies at home; and

"Whereas the American National Red Cross is under the necessity of raising further funds in order that these essential services may be continued and expanded:

"Now, therefore, I, Franklin D. Roosevelt, President of the United States of America and President of the American National Red Cross, do hereby designate the month beginning March 1, 1943, as 'Red Cross Month,' and I request that during that month our people rededicate themselves to the splendid aims and activities of the Red Cross. I summon the men, women and young people of our country, in every city and town and village, in every county and State throughout the land, to enlist in the army of mercy mobilized under the banner of the Red Cross and to contribute generously to the Red Cross war fund in order that the sum of \$125,000,000, every cent of which is needed, may be raised promptly.

"In witness whereof, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

"Done at the City of Washington this 23d day of February, in the year of Our Lord nineteen hundred and forty-three, and of the Independence of the United States of America the one hundred and sixty-seventh.

"FRANKLIN D. ROOSEVELT."

## Extends Lend-Lease For Another Year

The House Foreign Affairs Committee approved on Feb. 24 the measure extending the Lend-Lease Act until July, 1944. It was reported that several attempts to amend the measure by including special stipulations were rejected as possibly interfering with the Act's operations.

Among the proposals considered but rejected, it was learned by the Associated Press, were these:

1. A new preamble specifying China as an ally to which aid

should be supplied by every means possible.

2. A prohibition against any post-war use by foreign nations of lend-lease material to suppress the rights and freedoms of any people.

3. A clause to prevent final determination of any "benefits" to be derived from lend-lease without the approval of Congress.

The authority of the original act expires on June 30. Hearings on the bill continuing lend-lease operations for another year were reported in these columns Feb. 25, page 760.

## Industries Urge Repeal Of Renegotiation Law

The Associated Industries of Rhode Island has called upon Congress to repeal the law requiring renegotiation of war contracts. This is learned from the Providence "Journal," which states that in a letter to every member of Congress the Association says that "renegotiation is in effect repudiation, which is an odious act by whomsoever committed. There is and can be no justification for it. This is a matter of principle, with respect to which there can be no compromise." From the paper indicated we also quote:

"The letter and an accompanying memorandum declare that actually the word 'renegotiate' is a misnomer, since the Secretary of any Government Department is given the power to redetermine or change a contract price—in other words, the power to tell a contractor that a price fixed in a contract will not be paid but some lower price to be determined by some Government representative.

"Through this power," the Association contends, "corporations are kept in a continual state of uncertainty as to their profits. . . . The Renegotiation law also ignores the 80% ceiling which the Revenue Act of 1942 places on the over-all effective rate of tax on corporations.

"No limitation on profits is required other than that provided in the tax law itself. It must be obvious that under our present tax laws, with an income tax of 40% and an excess profits tax of 90%, the business corporations of the country will emerge from the war in a greatly weakened, and in many cases dangerously impaired, financial condition. Their profits after taxes are not excessive, but quite the reverse."

## Moves To Halt Treasury Silver Purchases

The House on Feb. 9 voted against the silver purchase program. By a record vote of 200 to 104, the House approved an amendment to the \$1,200,000,000 Treasury-Post Office appropriation bill to prevent any use of the Treasury's funds during the fiscal year 1944—which starts July 1—for the purchase or procurement of silver under the 1934 and 1939 Silver Purchase Acts.

While indicating the sentiment of the House the amendment has no practical effect, however, because the funds which actually finance silver purchases are not contained in the bill.

Representative Celler (Dem., N. Y.) sponsor of the amendment, conceded that it was only a gesture as to the intention of the House. Chief support for the proposal came from Republicans while the members from the silver States vigorously protested the action.

Several other measures have been introduced in Congress for a change in the Government's silver purchase program—some seeking repeal of the silver legislation and others seeking to release part of the silver to fabricators.

## President Opposes Bill Requiring Senate Approval Of Federal Employees In \$4,500 Jobs

President Roosevelt on Feb. 19 expressed "unqualified opposition" to the McKellar bill requiring Senate confirmation of all Government employees receiving \$4,500 or more a year and urged that the bill "not be enacted into law."

In a letter to Vice-President Wallace, the President said that "confirmation of administrative, professional and technical employees by a legislative body is the very antithesis of the merit system and would sweep away years of civil-service progress." He also said the bill is "undesirable" because of the time it would take to examine the qualifications of the more than 33,000 positions which would be subject to Presidential nomination and Senate confirmation. Mr. Roosevelt further stated that if the bill is enacted "the American people will not fail to realize that it is the legislative branch of the Government that is thus holding up vigorous prosecution of the war program," he added that the bill if enacted "would also adversely affect the recruitment of persons for key positions."

In defense of his bill, Senator McKellar (Dem., Tenn.) said on Feb. 20 that "its purpose is simply to follow the tried, proved, and constitutional way, the American way, of appointing officials of the Government." He further asserted that 10 of the "most important policy-determining officials" of the Government were not confirmed by the Senate, "as everybody admits is required by the Constitution."

The text of the President's letter to Vice-President Wallace follows:

My dear Mr. Vice-President: My attention has been called to the provisions of S. 575. I desire to express my unqualified opposition to this proposed legislation.

The proposal for Presidential nomination and Senate confirmation of all employees receiving more than \$4,500 per annum presupposes Congressional responsibility for the operations of executive agencies. An agency head is responsible for the success or failure of his program. This accountability is dissipated if responsibility for the appointment of employees is divided.

Under our form of government the appointment of those officers who, in a fundamental sense, determine policy has generally been subject to Senate confirmation. But determination of policy is not synonymous with the exercise of administrative discretion. Neither does it include work performed by the vast number of technical and scientific personnel who occupy positions which fall above a salary figure of \$4,500 or any other arbitrary amount.

The practice of the Federal Government with respect to the selection and appointment of non-policy-determining employees has evolved over a period of 60 years. This development culminated in the passage of the Ramspeck Act of 1940 requiring the appointment of practically all such employees on the basis of merit under the Civil Service Act. To turn the clock back by reversing this decision would be folly in time of peace. In war it would be little less than tragic.

Equally important are the practical considerations which make this bill undesirable. More than 33,000 positions would be subject to Presidential nomination and Senate confirmation under the terms of the proposed legislation. I do not have the time personally to examine the qualifications of the individuals whose appointments would in such circumstances have to be approved by me. It is equally evident that the Congress does not have the time. Senate confirmation would either become a rubber-stamp process or a task of such magnitude as to leave little time for the conduct of legislative business

and to delay appointments to essential war jobs.

The experience with confirmation of War Manpower Commission appointments as required by its appropriation act is significant. On Jan. 11, 1943, 30 names were nominated to the Senate. No action was taken until Feb. 15, when 21 names were confirmed and one was sent back to the committee. At the present time, almost six weeks after the submission of the nominations, action still remains to be taken in eight cases. If the proposed bill is enacted into law, with the inevitable multiplication of delays of this character, the American people will not fail to realize that it is the legislative branch of the Government that is thus holding up vigorous prosecution of the war program.

This bill, if enacted into law, would also adversely affect the recruitment of persons for key positions. It would lay all of us open to the charge that we are playing politics with the war program. We cannot permit confidence in the Government to be undermined in this manner. Neither can we afford to add the obstacle of Senate confirmation to other difficulties which confront us in our efforts to secure the best talent of the nation for the Government service.

During the past 2½ years, in the face of a steadily dwindling reserve of manpower, the Government service was expanded from less than 1,000,000 employees to approximately 3,000,000. Undoubtedly in view of the large numbers involved, the limited supply, and the speed required, mistakes have been made. Corrective steps have been taken and will continue to be taken to eliminate abuses and to strengthen the machinery for the application of the merit principle to the recruitment, advancement, and removal of employees.

In our zeal to correct mistakes, however, we should not make the error of undermining the entire administrative structure that has been erected for the conduct of the war. Confirmation of administrative, professional, and technical employees by a legislative body is the very antithesis of the merit system and would sweep away years of civil-service progress.

For these reasons I urge that this bill not be enacted into law. Very sincerely yours,

FRANKLIN D. ROOSEVELT.

## Jan. Living Costs Up In Industrial Cities

The cost of living for wage earners and lower-salaried clerical workers in January rose in 61 out of the 70 cities surveyed each month by the National Industrial Conference Board. The largest advance, 1.3%, was shown in Dayton, O. Four other cities rose 1% or more, while two showed no change, and seven reported declines. For the United States as a whole, the cost of living rose 0.4%. The Board's announcement adds: "Living costs were higher this January than in January, 1942 in all cities for which comparable figures are available. Erie recorded the largest increase during the twelve-month period with an advance of 11%. The smallest was shown in Houston, where it rose only 4.7%. The cost of living for the United States as a whole stands 7.3% higher than a year ago, and 17.9% above January, 1941."

## Repayments of Loans On Life Ins. Policies Increased during 1942

Repayments of life insurance policy loans were on a substantially larger scale during 1942 than in the preceding year, indicating that people are taking advantage of increased earning power to reduce their debts, according to the Institute of Life Insurance, in an announcement issued Feb. 24. This, it is noted, is in line with the emphasis placed by the Government on the importance of debt reduction under today's conditions, the desirability of debt repayment having been officially recognized in the Victory Tax legislation. The Institute also pointed out:

"The effect of policy loan repayments is to divert from spending channels a portion of the increased purchasing power of the people. In this way it is an aid to the effort to control inflation. Another effect is to increase the amount of funds available for investment by the life insurance companies in U. S. Government bonds or in the securities of companies whose services are vital to the war effort."

From the announcement we also quote:

"The rate of policy loan repayments was accelerated during the year, the amount of such repayments being approximately 15% greater than in the preceding year. Actual loan repayments were substantially in excess of the net reduction of \$220,000,000 in aggregate loans outstanding with the insurance companies.

"New loans continued to be made in some volume to meet emergency situations which always arise in the case of individual policyholders even in times of prosperity. The aggregate of such new loans, however, was from 30 to 40% below the total reported for 1941.

"Total policy loans outstanding at the year-end are reported as \$2,700,000,000, a decrease of more than \$1,000,000,000 from the all-time peak reached in 1932. Currently, the ratio of policy loans to total assets is at an all-time low, representing only 7.8% as compared with approximately 18% in 1932.

"In general, the 1942 record follows the trend which is characteristic of this class of loan. Designed primarily for emergencies, policy loans were widely used during the years 1929 to 1932, when a total of nearly \$3,000,000,000 in these loans was granted by the life insurance companies to their policyholders, helping to save many families and businesses from financial disaster."

## Cotton Spinning For January, 1943

The Bureau of the Census announced on Feb. 20 that according to preliminary figures, 23,759,386 cotton spinning spindles were in place in the United States on Jan. 31, 1943, of which 22,889,954 were operated at some time during the month, compared with 22,887,072 for December, 22,948,248 for November, 23,012,046 for October, 22,956,224 for September, 22,973,572 for August, and 23,087,308 for January, 1942. The aggregate number of active spindle hours reported for the month was 10,820,499,537. Based on an activity of 80 hours per week, the cotton spindles in the United States were operated during January, 1943 at 138.8% capacity. This percentage compares, on the same basis, with 127.9 for December, 133.4 for November, 136.9 for October, 134.9 for September, 136.4 for August, and 137.0 for January, 1942. The average number of active spindle hours per spindle in place for the month was 455.

## Sumner Welles Issues Statement Regarding U. S. Oil And Food Shipments To Spain

Following reports on Feb. 26 that it had been disclosed that the United States has been exporting oil, cotton, food and other products to Spain to aid in the restoration of her economy, members of the Senate were indicated on Feb. 27 as planning to call for an inquiry into the situation. The statement to Spain was made by American Ambassador Carlton J. H. Hayes before the American Chamber of Commerce at Barcelona, Spain, according to Associated Press accounts from there on Feb. 26, which reported him as saying:

"The United States stands ready to continue and extend any help it can to Spain, which itself is doing so much with such obvious success to develop a peace economy that can, and will, carry this country safely into a future period of world peace."

The same advices further reported Ambassador Hayes as follows:

"He said the amount of petroleum products available in Spain now is 'considerably higher than the present per-capita distribution to the people of the Atlantic seaboard of the United States itself,' and that oil has been flowing to Spain since last September in an amount equal to the full capacity of the Spanish tanker fleet.

"Ambassador Hayes disclosed that 25,000 tons of sulphate of ammonia were made available to this country recently despite shortages in America. He also disclosed that a shipment of 10,000 tons of cotton recently was sent to Spain, and said 'a very notable increase of cotton imports' could be expected here.

"Other products urgently required here which are being furnished by America include peas, beans, coal, cellulose, carbon black, codfish and industrial chemicals, Hays said, adding that petroleum products shipments had, by Jan. 1, given the Spanish sufficient stocks to increase gasoline rations, put more trucks on the highways and start buses running in Madrid."

Associated Press accounts in the matter from Washington Feb. 26 had the following to say in part:

"At the State Department, in clarification of the speech made by Ambassador Hayes, it was said that oil from the Caribbean, but none from the United States, is reaching Spain in Spanish tankers. The text of the speech was not available at the department, where reporters were told that it had not yet been received.

"Spain is able to obtain more oil proportionately than the Eastern seaboard, an official explained, because German and Italian submarines refrain from attacking her tankers.

"Trade in other commodities between America and Spain was described unofficially as part of a good-will policy to keep Spain out of the war in the hope that, should the Germans attempt to occupy the Iberian Peninsula as a base against Allied forces, the Spaniards would resist the invasion."

On March 1, Sumner Welles, Acting Secretary of State, issued a statement, in which he asserted that the shipment of petroleum products from the Western Hemisphere to Spain was in line with the interests of the United States and "has had no effect whatever on the quantity of petroleum available to any consumers in the United States." As to his further remarks we quote the following from the Associated Press:

"Mr. Welles said that this country's trade with Spain was a two-way trade and that certain commodities in Spain were needed in the American war effort.

"It is naturally in our interest," he added, "that those Spanish commodities needed in this country should reach the United States rather than fall into enemy hands, and to accomplish this a trade program is necessary. The trade program with Spain has been carefully reviewed by the Joint Chiefs of Staff."

On the specific question of petroleum shipments, Mr. Welles stated:

"The carefully restricted quantity of petroleum which has been cleared by the two governments destined to Spain has, with the exception of packaged lubricants, been obtained from sources outside the United States and has been transported exclusively in Spanish tankers."

Advices to the effect that Senator Russell, Democrat, of Georgia, called for a Congressional investigation of the situation, with Senator Wheeler, Democrat, of Montana, expressing hope that the shipments did not find their way "into Hitler's hands to be used to fight American boys in North Africa," were contained in Associated Press accounts Feb. 27 which likewise stated:

Senator Lucas, Democrat, of Illinois, said that he was willing to trust Secretary of State Cordell Hull's judgment as to how to keep Spain neutral, but Senator Nye, Republican, of North Dakota, sided inferentially with the others saying he wondered how long American economy would permit large shipments abroad.

## President Disputes Those Interpreting Stalin's Order

President Roosevelt on Feb. 23 disputed the opinions of those who interpret Premier Josef Stalin's order of the day to the Red Army as indicating that Russia will drop out of the war after the Germans have been driven from the borders of the Soviet country. According to Washington press advices, the President told his press conference that the Premier did not say that and suggested that it would be better to stick to the language used by Mr. Stalin in his order. Mr. Roosevelt added, however, that he was not in a position to comment further on the order as he had not read it.

In his order to the Red Army on its 25th anniversary, Premier Stalin was reported by the Associated Press as saying that the Red Army was "not created for the purpose of conquest of foreign countries, but to defend the frontiers of Soviet land," and that Russia was now engaged in a campaign "to defend its native land against the German invader and to drive him from the borders of our country."

He also noted the absence of a second front in Europe and declared that "the Red Army alone is bearing the whole weight of the war."

## Eisenhower Promoted To Full General Rank

Lieut. Gen. Dwight D. Eisenhower, Allied Commander-in-Chief in North Africa, was recently promoted to the rank of full General of the U. S. Army. President Roosevelt sent the nomination to the Senate on Feb. 11 and that body unanimously confirmed the appointment the same day.

There are three other four-star generals on active duty: George C. Marshall, Army Chief of Staff; Douglas MacArthur, Allied Commander-in-Chief in the Southwest Pacific, and Malin Craig, former Chief of Staff, who is Chairman of the War Department Personnel Board, set up to pass on Army commissions for civilians.

John J. Pershing, head of U. S. forces in the first World War, is listed as a retired general, but by special Act of Congress remains as "General of the Armies."

## Factory Workers' Hours And Earnings In Dec. Again Showed Increase, Labor Dept. Reports

The average hours worked per week in manufacturing were 1% more in December than in November and 8% more than in December of last year, with the 48 hour scheduled work week being maintained in the war industries, Secretary of Labor Perkins reported on Feb. 19. "The gain over November was almost entirely in the nondurable industries, where hours worked per man on the pay roll for any part of the payroll period averaged 42.1, 6.4% above last year," she said. "In the durable-goods industries where for some months most establishments have been working 48 hours or more, the average actually worked was 46.2, or 8.7% higher than a year before."

Secretary Perkins further stated: "Because absenteeism and labor turnover probably account for a difference of two hours, between the scheduled work week and the hours actually worked, industries reporting 46 hours are operating on a 48-hour schedule. Of the durable-goods industries which are engaged largely in war production more than half (27 out of 49) reported 46 hours or more and three of these—machine tools, textile machinery, and locomotives—exceeded 50 hours."

"Among the 52 industries shown in the nondurable group, only 10 reported about 46 hours or more per week, five in the food group, one in paper and pulp, three in chemical and allied products, and one in miscellaneous (professional and scientific instruments)."

"Of the 14 non-manufacturing industries for which man-hour information is available, crude petroleum and bituminous coal mining reported the greatest increases over the month before. Only quarrying showed any significant reduction in hours worked per week."

"Hourly earnings in December, including overtime premiums, shift differentials, etc., changed very little from November in the durable-goods industries and averaged 100.4 cents, or about 12% above the earnings of the year earlier. The decrease in earnings in a few industries reflects the influence of overtime payments for Armistice Day work on earnings in November. In the nondurable-goods industries, however, earnings rose to 76.2 cents, continuing the trend of about two-thirds of a cent advance per month which has prevailed since the spring of 1941. Earnings in the foods, chemicals and allied products, and rubber groups gained by more than 1% over the month. Hourly earnings over the year advanced from 10 to 12% in these three groups of industries."

"In non-manufacturing, coal mining (100.3 cents in anthracite and 108.5 cents in bituminous coal) and building construction, 123.0 cents, reported average hourly earnings from 1 to 1½% higher than in the previous month. While coal mining was but little above December, 1941, building construction, dyeing and cleaning, and quarrying had gained by over 12%. Metalliferous mining was 10% above the year before."

"Weekly earnings averaged \$46.18 in December in the industries of the durable-goods group or about the same as the month before and about 25% more than in December, 1941. In the industries of the nondurable-goods group, weekly earnings averaged \$32.08 or about 2½% more than in November and about 20% more than in December, 1941."

The Department's announcement explains that these averages for manufacturing groups have been revised to take into account data for additional industries not previously included in the compilation and extensive revisions in the employment estimates which are used as weights. Comparable series from January, 1939, to date are available on request.

The Department points out that "it should be noted that manufacturing plants converted to war production are being temporarily

continued under their peace-time industry classifications."

## Increased Newspaper Costs Raise Prices

As reflecting the increased costs of putting out the daily newspaper, a report by the American Newspaper Publishers Association indicates that more than half of the reporting papers now charge five cents a copy on retail sales. The New York "Sun" in its issue of Feb. 23, calling attention to the report, stated:

"Of 1,715 general circulation daily papers surveyed, 896, or 52%, listed five cents as the price for week-day editions, Sundays excluded."

"A year ago a check of 1,767 papers showed that 806, or 46% were priced at five cents. In 1941, of 1,821 replies, 794, or 44%, priced week-day editions at five cents."

"The 'penny' newspaper, once an American institution, apparently is on its way out, the survey indicated. Only four papers listed a cent a copy, as against nine last year."

"After the nickel papers, the largest price-group was at three cents, but this year's check-up showed 32% of daily papers in that class, a drop from the 42% of 1942, indicating a large shift from the three-cent level to four and five."

"There was a sizable percentage increase in the number charging four cents a copy, to 10% of the reporting group, from 1.8% a year ago."

"Five per cent of those replying to the questionnaire now charge two cents a copy, compared with 10% in that price-class in 1942."

"The New Britain (Conn.) 'Herald' on Feb. 23 announced an increase in its daily price from three to four cents, effective March 1. In Associated Press advices from Los Angeles Feb. 18, it was stated:

"The Los Angeles 'Examiner' said today that effective Sunday the price of its Sunday edition would be increased from 10 cents a copy to 15 cents."

"A substantial portion of this increase," it said, "will go to the newsboys, newsdealers and distributors, who have higher costs to meet."

## Late Registration For War Ration Book One

It was made known on Feb. 17 that any person who did not register for War Ration Book One before Jan. 15, might obtain this book from his local War Price and Ration Board after Feb. 22, provided he has filed the necessary application forms and that these have been examined and approved in accordance with instructions issued by the Office of Price Administration.

Ration Book One is now used for buying sugar, coffee and shoes, and during the week of Feb. 22, it was also needed to obtain War Ration Book Two.

In issuing instructions to late registrants, OPA made it clear that while Ration Book Two would be distributed at many convenient places, such as schoolhouses, churches, and community halls to facilitate a nation-wide registration, application for Book One must be made in person at the local Board serving the area in which an applicant regularly lives.

## U.S. Life Companies Paid Out Less In 1942

Total payments to American families from their life insurance companies during 1942 were \$2,402,517,000, an average of \$6,582,000 a day for the first war year, it is reported by the Institute of Life Insurance. This aggregate is \$123,000,000 smaller than in the previous year, the decline being almost entirely accounted for by the sharp reduction in payments of surrender values to policyholders to meet emergency situations, the Institute says, adding that this is a reflection of the improved financial status of the average family.

The Institute's announcement, made available Feb. 25, further said:

"The surrender values paid out in 1942 totaled \$446,541,000, approximately 20% less than the \$564,845,000 reported in 1941 and 35% less than the \$680,062,000 total for 1940. They are now at an all-time low rate. As a result, family life insurance programs have been more fully maintained than in other years. The total of surrender values paid has declined sharply each year since the bottom of the depression. Such payments in 1942 were only one-third the 1933 amount, even though the total funds available to policyholders for emergency use is now 62% greater than in 1933."

"Death benefits paid in 1942 were slightly smaller than in 1941, in spite of the larger amount of insurance in force during the year and of the greater war hazards. The record is a direct reflection of the improved health conditions in the early part of the year. Increased deaths were recorded during the closing months of the year, however, December death-benefit payments being 6% greater than in the same month of 1941. The 1942 total was \$1,002,990,000, of which \$716,054,000 was under ordinary policies, \$119,572,000 was under group insurance contracts, and \$167,364,000 was under industrial policies. The aggregate compares with \$1,009,636,000 in death benefits in 1941."

"Other payments to policyholders and beneficiaries were maintained at substantially the same high levels of recent years. This record is a demonstration of one of the important war services of life insurance, the Institute report says: 'The continuing flow of these huge benefit funds acts as a stabilization force on the home front economy at a time when there is unusual need for financial strength and stability.'"

"Matured endowment payments aggregated \$261,519,000 in 1942, slightly more than the \$260,257,000 of 1941. These payments represent an important part of the protection and security which American families have set up through life insurance."

## Insolvent National Bank Liquidations

During the month of January, 1943, the liquidation of five insolvent national banks was completed and the affairs of such receiverships finally closed, according to an announcement made by Comptroller of the Currency Preston Delano.

Total disbursements, including offsets allowed, to depositors and other creditors of these five receiverships, amounted to \$41,405,766 while dividends paid to unsecured creditors amounted to an average of 90.73% of their claims. Total costs of liquidation of these receiverships averaged 5.95% of total collections from all sources, including offsets allowed.

Dividend distributions to all creditors of all active receiverships during the month of January, amounted to \$1,424,654.

## Introduce Bill To Suspend "Death Sentence" Provision Of Utility Holding Company Act

A bill under which the Securities and Exchange Commission would be authorized to suspend operations of its functions under Section 11 (the so-called "death sentence" provision) of the Public Utility Holding Company Act was introduced on Feb. 8 by Representative Howell (Republican) of Illinois. Mr. Howell, a member of the House Interstate and Foreign Commerce Committee, explained according to advices Feb. 8 to the New York "Journal of Commerce" from its Washington bureau, that he thought there was "merit in having the law modified at the present time because of the unfavorable market conditions with which the companies are faced in case they have to dispose of their holdings under the SEC proceedings." The advices from which we quote added:

"However, he indicated that a stronger measure might follow and explained that the proposal introduced today had been put out largely in the nature of a 'feeler' to sound out reaction."

"Mr. Howell admitted that in view of the position which the SEC has taken with respect to simplification proceedings that the mere grant of discretionary authority might not operate substantially to change present SEC practices."

"The SEC has, on a number of occasions, denied contentions advanced by public utility companies that exercise of its powers under the so-called death sentence provisions at this time will interfere with the prosecution of the war by involving the companies in protracted proceedings when they are concerned with the war effort."

"The bill introduced by Mr. Howell," said the same advices, "had been previously proposed by former Representative Paddock of Illinois."

The measure reads as follows: "That notwithstanding the provision of Section 11 of the Public Utility Holding Company Act of 1935 (which requires the taking of action to bring about simplification of public utility holding company systems) the Securities and Exchange Commission is hereby authorized to suspend the exercise of its functions and duties under such section as, in its judgment, will be not inconsistent with the public interest." The measure was referred to the House Interstate and Foreign Commerce Committee.

## NY State Factory Work Hours Higher In 1942

The New York State Department of Labor reports that working hours of factory employees in New York State increased during the year 1942 from 41.6 per week in January to 44.3 in December. The hours of employees in war industries in the metals and machinery group ranged from 45.0 to 51.7 hours per week in December. The average hours for the group as a whole were 47.3 in January, 1942; they remained above 47.0 each month of the year, jumped to 47.9 in October and reached a maximum of 48.6 in December. The advices from the Department Feb. 17 also said:

"Average hourly earnings for total manufacturing in the State advanced from 85.1 cents in January, 1942, to 94.1 cents in December. During the year, average weekly earnings went up from \$35.29 in January to \$41.51 in December. There was a further increase in earnings to nearly \$42.00 in January, 1943. Payrolls increased a little more than 1% during the month, while employment remained at about the same level. War plants hired more workers but factories making civilian goods reported decreases."

"The index of factory employment, based on the average of 1935-1939 as 100, was 155.9 in January, 1943; this represents an increase of 12.3% over that of January, 1942. The payroll index

was 264.1, a rise of 33.5% from January of last year. The 1943 figures are based on preliminary tabulations covering reports from 2,694 firms throughout the State. The Division of Statistics and Information of the New York State Department of Labor is responsible for the collection, tabulation and analysis of these reports.

"Expansion in war plants continued although it was not so marked as in previous months. Manufacturers of airplanes, tanks, ships, communication equipment, electric apparatus and armaments hired more workers. Payrolls advanced in most of these industries. Increased activity was noted in the nonferrous metals group. Steel mills continued to decline and tin can factories dropped employees during the month. Net increases of 1.9% in employment and 1.8% in payrolls were reported for the metals and machinery group as a whole."

"Seasonal factors in the New York City clothing industries accounted for losses in the women's dress, lingerie and fur goods firms. Milliners reported large seasonal gains and manufacturers of women's suits and coats also started work on Spring lines. Fairly large decreases were reported by tobacco, food, leather and printing firms. Among the war industries, shipbuilders and manufacturers of scientific instruments showed the only notable increases."

"Syracuse again had the largest employment and payroll increases for the month; the only sizeable losses were in the stone, clay and glass group. In the Buffalo area, losses in food, clothing, wood products and chemicals were offset by gains in the metals and machinery group. War plants in the Utica and Kingston - Newburg-Poughkeepsie districts accounted for small increases in these areas."

## To Inquire Into Acts Of Executive Agencies

Speaker of the House Rayburn on Feb. 18 appointed the seven members of the special committee which will investigate acts of executive agencies beyond the scope of their authority. Heading the group is Representative Smith (Dem., Va.) and the other members are Representatives Voorhis of California, Delaney of New York, Peterson of Georgia, Hartley of New Jersey, Jennings of Tennessee and Bennett of Michigan.

The resolution authorizing the investigation was passed on Feb. 11 by a vote of 294 to 50. Sponsored by Representative Smith, the resolution authorized the committee "to conduct investigations of any action, rule, procedure, regulation, order, or directive taken or promulgated by any department or independent agency of the Federal Government where complaint is made to said committee that such action, rule, regulation, procedure, order or directive: (1) Is beyond the scope of the power or authority granted to such department or independent agency by Congress or by Executive order. (2) Invades the constitutional rights, privileges, or immunities of citizens of the United States. (3) Inflicts penalties for failure to comply with such rules, regulations, or directives without affording those accused of violation an opportunity to present their defense before a fair and impartial tribunal."

### Moody's Bond Prices And Bond Yield Averages

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

1943— Daily Averages	U. S. Govt. Bonds	Avg. Corpo- rate*	Corporate by Ratings*				Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
Mar. 2	117.07	109.24	117.60	115.24	110.15	95.62	100.16	112.93	115.43
1	117.10	109.24	117.60	115.43	110.15	95.77	100.16	112.93	115.43
Feb. 27	117.11	109.24	117.60	115.43	110.15	95.62	100.16	112.93	115.43
26	117.11	109.24	117.60	115.43	110.15	95.47	100.00	112.93	115.43
25	117.11	109.24	117.60	115.43	110.15	95.32	99.84	112.93	115.43
24	117.11	109.06	117.60	115.43	110.15	95.16	99.68	112.93	115.43
23	117.11	109.06	117.60	115.43	110.15	95.01	99.68	112.93	115.43
22 Exchange Closed									
20	117.11	109.06	117.60	115.43	110.15	95.01	99.68	112.93	115.43
19	117.11	109.06	117.60	115.43	110.15	95.01	99.68	112.93	115.43
18	117.10	109.06	117.60	115.43	110.15	95.16	99.52	112.93	115.63
17	117.10	109.06	117.60	115.43	110.15	95.01	99.52	112.93	115.63
16	117.11	108.88	117.60	115.24	109.97	94.86	99.36	112.93	115.63
15	117.11	108.88	117.60	115.24	109.97	94.86	99.36	112.93	115.63
14	117.12	108.88	117.60	115.24	109.97	94.86	99.36	112.93	115.63
13 Exchange Closed									
12	117.13	108.88	117.60	115.24	109.97	94.86	99.36	112.93	115.63
11	117.10	108.88	117.60	115.24	109.97	94.56	99.20	112.75	115.63
10	117.10	108.88	117.60	115.24	109.97	94.56	99.04	112.75	115.63
9	117.10	108.88	117.60	115.24	109.97	94.56	99.20	112.75	115.63
8	117.08	108.88	117.60	115.24	109.97	94.56	99.20	112.75	115.63
7	117.09	108.88	117.60	115.04	109.97	94.71	99.20	112.75	115.63
6	117.09	108.88	117.60	115.04	109.97	94.71	99.04	112.75	115.63
5	117.12	108.70	117.60	115.04	109.97	94.56	99.20	112.75	115.63
4	117.12	108.70	117.60	115.04	109.97	94.56	99.20	112.75	115.63
3	117.14	108.88	117.60	115.04	109.97	94.71	99.20	112.75	115.63
2	117.07	108.88	117.60	115.04	109.97	94.71	99.20	112.56	115.43
1	117.04	108.88	117.60	115.04	109.97	94.71	99.20	112.56	115.43
Jan. 29	117.04	108.70	117.60	115.04	109.79	94.56	99.04	112.56	115.43
22	117.05	108.34	117.20	114.66	109.60	94.26	98.73	112.37	115.24
15	117.05	108.16	117.20	114.66	109.42	93.82	98.41	112.19	115.04
8	117.02	107.62	116.80	114.08	109.06	92.93	97.62	112.00	114.66
1 Exchange Closed									
High 1943	117.14	109.24	117.80	115.43	110.15	95.77	100.16	112.93	115.63
Low 1943	116.85	107.44	116.80	113.89	108.88	92.35	97.16	111.81	114.46
High 1942	118.41	107.62	117.20	114.27	108.88	92.64	97.47	112.19	114.66
Low 1942	115.90	106.04	115.43	112.75	107.09	90.63	95.32	109.60	112.75
1 Year ago									
Mar. 2, 1942	116.78	106.56	115.82	113.31	107.62	91.62	96.85	110.15	113.31
2 Years ago									
Mar. 1, 1941	116.92	105.86	117.40	112.93	106.21	90.06	95.92	109.97	112.93

1943— Daily Averages	U. S. Govt. Bonds	Avg. Corpo- rate*	Corporate by Ratings				Corporate by Groups		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
Mar. 2	2.08	3.21	2.77	2.89	3.16	4.03	3.74	3.01	2.88
1	2.06	3.21	2.77	2.88	3.16	4.02	3.74	3.01	2.88
Feb. 27	2.06	3.21	2.77	2.88	3.16	4.03	3.74	3.01	2.88
26	2.06	3.21	2.77	2.88	3.16	4.04	3.75	3.01	2.88
25	2.06	3.21	2.76	2.88	3.16	4.05	3.76	3.01	2.88
24	2.06	3.22	2.77	2.88	3.16	4.06	3.77	3.01	2.88
23	2.06	3.22	2.77	2.88	3.16	4.07	3.77	3.01	2.89
22 Exchange Closed									
20	2.06	3.22	2.77	2.88	3.16	4.07	3.77	3.01	2.88
19	2.06	3.22	2.77	2.89	3.16	4.07	3.77	3.01	2.88
18	2.06	3.22	2.77	2.88	3.16	4.06	3.78	3.01	2.88
17	2.06	3.22	2.76	2.88	3.16	4.07	3.78	3.01	2.87
16	2.06	3.23	2.77	2.89	3.16	4.08	3.78	3.01	2.88
15	2.06	3.23	2.77	2.89	3.17	4.08	3.79	3.01	2.87
14	2.06	3.23	2.77	2.89	3.16	4.08	3.79	3.01	2.87
13 Exchange Closed									
12	2.06	3.23	2.77	2.89	3.17	4.08	3.79	3.01	2.88
11	2.06	3.23	2.76	2.89	3.17	4.10	3.80	3.02	2.87
10	2.06	3.23	2.76	2.89	3.17	4.10	3.81	3.02	2.87
9	2.06	3.23	2.77	2.89	3.17	4.10	3.81	3.02	2.87
8	2.05	3.23	2.77	2.89	3.17	4.10	3.80	3.02	2.88
7	2.06	3.23	2.76	2.90	3.17	4.09	3.80	3.02	2.88
6	2.06	3.23	2.77	2.90	3.17	4.09	3.81	3.02	2.87
5	2.06	3.24	2.77	2.90	3.17	4.10	3.80	3.02	2.88
4	2.06	3.24	2.76	2.90	3.17	4.09	3.80	3.02	2.88
3	2.06	3.23	2.76	2.90	3.17	4.09	3.80	3.02	2.88
2	2.06	3.23	2.77	2.90	3.17	4.09	3.80	3.03	2.88
1	2.06	3.23	2.77	2.90	3.17	4.09	3.80	3.03	2.88
Jan. 29	2.06	3.24	2.77	2.90	3.18	4.10	3.81	3.03	2.88
22	2.06	3.26	2.79	2.92	3.19	4.12	3.83	3.04	2.89
15	2.06	3.27	2.79	2.92	3.20	4.15	3.85	3.05	2.90
8	2.07	3.30	2.81	2.95	3.22	4.21	3.90	3.06	2.92
1 Exchange Closed									
High 1943	2.08	3.31	2.81	2.96	3.23	4.25	3.93	3.07	2.93
Low 1943	2.06	3.21	2.76	2.88	3.16	4.02	3.74	3.01	2.87
High 1942	2.14	3.39	2.88	3.02	3.33	4.37	4.05	3.19	3.02
Low 1942	1.93	3.30	2.79	2.94	3.23	4.23	3.91	3.05	2.92
1 Year ago									
Mar. 2, 1942	2.07	3.36	2.86	2.99	3.30	4.30	3.95	3.16	2.99
2 Years ago									
Mar. 1, 1941	2.06	3.40	2.78	3.01	3.38	4.41	4.01	3.17	3.01

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

†The latest complete list of bonds used in computing these indexes was published in the issue of Jan. 14, 1942, page 202.

81%, while individuals held up best, having recorded almost 90% of their volume for November, 1941."

Type of Lender	November 1942			November 1941			Cumulative Recordings January-November	
	Volume (000)	% of Total	% Chg. from Oct. '42	Volume (000)	% of Total	% Chg. from Nov. '41	1942	1941
S. & L. Assns.	\$80,970	29.1	-21.5	\$113,353	30.0	-18.3	\$1,095,052	\$1,377,145
Ins. Cos.	25,950	9.3	-20.3	32,527	8.6	-18.5	338,440	366,499
Bk. & Tr. Cos.	58,519	21.0	-26.1	92,316	24.4	-13.0	828,650	1,065,580
Mut. Svcs. Bks.	11,596	4.2	-21.7	19,653	5.2	-13.8	155,034	199,241
Individuals	55,830	20.1	-17.4	64,024	17.0	-14.5	678,490	718,653
Others	45,456	16.3	-23.8	55,810	14.8	-15.0	581,531	612,487
Total	\$278,321	100.0	-22.1	\$377,683	100.0	-15.7	\$3,877,207	\$4,339,605

### National Fertilizer Association Commodity Price Average Registers Fractional Decline

The rising trend in the general level of wholesale commodity prices was halted last week, according to the wholesale price index compiled by The National Fertilizer Association, and made public March 1, which was fractionally lower. In the week ended Feb. 27, 1943, this index fell off to 134.8 from 134.9 in the preceding week. A month ago the index stood at 133.9 and a year ago at 123.5, based on the 1935-1939 average as 100. The Association's report added:

The slight drop in the all-commodity index last week was due primarily to declining prices for foodstuffs and some farm products. Sharply lower prices for oranges and potatoes were responsible for a second decline in the food price index. Despite these declines, the food index is 13% above the corresponding week a year ago. In the farm product group price increases for cotton, corn, wheat, rye, barley, and fluid milk more than offset decreases in oats and hogs. Continued price advances took the textile average to a new high level. This group index is now well above the average for 1929, the previous peak year. The only other principal group average to change last week was that representing the prices of miscellaneous commodities, which advanced, due to continued increases in cattle feed prices.

Although the all-commodity price index fell off during the week, price advances outnumbered declines 11 to 5; in the preceding week there were 17 advances and 1 decline; in the second preceding week there were 13 advances and 4 declines.

Each Group Bears to the Total Index	Group	Latest Preceding		Month Ago	Year Ago
		Week Feb. 27	Week Feb. 20		
25.3	Foods	137.0	137.7	138.0	121.9
	Fats and Oils	148.1	148.1	148.5	135.8
	Cottonseed Oil	159.0	159.0	159.0	159.0
23.0	Farm Products	153.4	152.6	150.7	132.7
	Cotton	199.8	197.3	195.2	182.9
	Grains	137.5	136.3	133.2	119.4
	Livestock	149.8	149.5	147.7	125.7
17.3	Fuels	121.7	121.7	120.0	113.3
10.8	Miscellaneous commodities	129.7	129.4	129.3	127.3
8.2	Textiles	151.2	150.9	150.5	146.6
7.1	Metals	104.4	104.4	104.4	104.4
6.1	Building materials	151.9	151.9	151.4	134.8
1.3	Chemicals and drugs	127.6	127.6	127.6	120.3
.3	Fertilizer materials	117.6	117.6	117.6	118.3

## Federal Reserve January Business Indexes

The Board of Governors of the Federal Reserve System issued on Feb. 25 its monthly indexes of industrial production, factory employment and payrolls, etc. At the same time the Board made available its customary summary of business conditions. The indexes for January, together with comparisons for a month and a year ago, are as follows:

	BUSINESS INDEXES					
	Adjusted for Seasonal Variation—			Without Seasonal Adjustment—		
	Jan. 1943	Dec. 1942	Jan. 1942	Jan. 1943	Dec. 1942	Jan. 1942
Industrial production—						
Total	1200	197	171	1194	193	166
Manufactures—						
Total	1213	209	178	1207	207	173
Durable	1290	285	221	1286	283	216
Nondurable	1150	148	143	1144	145	137
Minerals	1126	127	134	1117	120	125
Construction contracts, value—	1137	175	118	1112	139	96
Total	180	91	82	167	77	68
Residential						
All other	1183	243	147	1149	190	119
Factory employment—						
Total		285.6	142.2		164.6	139.8
Durable goods		215.6	170.6		215.5	169.1
Nondurable goods						
Factory payrolls—		124.4	119.8		124.4	116.8
Total					287.7	200.7
Durable goods					391.2	255.9
Nondurable goods					186.5	146.8
Freight-car loadings, value	135	134	140	124	126	129
Department store sales, value	1142	125	138	1111	222	108
Department store stocks, value		1102	93		196	83

\*Data not yet available. †Preliminary or estimated.  
 Note.—Production, carloadings, and department store sales indexes based on daily averages. To convert durable manufactures, non-durable manufactures and minerals indexes to points in total index, shown in Federal Reserve Chart Book, multiply durable by .379, non-durable by .469, and minerals by .152.

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

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

### INDUSTRIAL PRODUCTION (1935-39 average = 100)

	Adjusted for Seasonal Variation—			Without Seasonal Adjustment—		
	Jan. 1943	Dec. 1942	Jan. 1942	Jan. 1943	Dec. 1942	Jan. 1942
	Manufactures—					
Iron and steel	203	200	192	203	200	192
Pig iron	197	197	189	197	197	189
Steel	225	221	209	225	221	209
Open hearth and Bessemer	181	179	176	181	179	176
Electric	539	523	449	539	523	449
Machinery	1347	338	250	1347	338	250
Transportation equipment	1560	548	305	1560	548	305
Non-ferrous metals & products	1200	201	191	1200	201	191
Lumber and products	1125	127	143	1108	116	122
Furniture	1117	119	138	1091	101	112
Stone, clay, & glass products	1140	144	153	1140	144	142
Cement		148	165		139	138
Polished plate glass	38	39	68	38	39	68
Textiles and products	1160	156	158	1160	156	158
Cotton consumption	171	163	169	171	163	169
Rayon deliveries	180	178	180	180	178	180
Wool textiles		163	161		163	161
Leather products	1118	116	128	1116	115	120
Shoes	1118	116	127	1115	110	124
Manufactured food products	1159	158	139	1142	150	121
Wheat flour	129	126	108	130	121	103
Meat packing	1140	158	148	1165	186	173
Other manufactured foods	1168	165	140	1148	158	123
Tobacco products	140	160	134	132	137	126
Cigars	127	200	129	103	154	104
Cigarettes	162	166	149	159	147	146
Manufactured tobacco & snuff	94	94	99	91	83	96
Paper and products		132	153		129	151
Paperboard	137	134	168	137	134	168
Newsprint production		97	107		92	107
Printing and publishing	1112	114	128	1109	114	125
Newsprint consumption	102	106	104	97	119	133
Petroleum and coal products		119	133		112	128
Petroleum refining		112	129		104	129
Gasoline	1103	104	129	1103	104	129
Fuel oil		137	127		137	127
Lubricating oil		113	133		112	129
Kerosene		99	124		102	126
Coke	1165	166	161	1165	166	161
Byproduct	1156	156	152	1156	156	152
Beehive	1489	498	490	1489	498	490
Chemicals	1205	200	156	1205	201	155
Minerals—						
Fuels	1124	126	131	1124	126	131
Bituminous coal	1145	143	144	1145	143	144
Anthracite	1102	105	104	1102	105	104
Crude petroleum	1118	121	129	1118	121	129
Metals	1139	136	150	1139	136	150
Iron ore	232	223	210		19	

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

Coal	119	116	119	135	132	136
Coke	161	177	154	193	193	184
Grain	157	143	140	138	130	123
Livestock	102	117	99	98	113	95
Forest products	130	137	156	117	122	141
Ore	202	210	186	50	59	46
Miscellaneous	149	146	152	132	135	134
Merchandise, i.e.l.	57	59	97	55	56	93

\*Data not yet available. †Preliminary or estimated. ‡Revised.  
 Note.—To convert coal and miscellaneous indexes to points in total index, shown in the Federal Reserve Chart Book, multiply coal by .213 and miscellaneous by .548.

## Non-Ferrous Metals—March Allocations For Copper, Lead, Zinc And Tin Set—Prices Same

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 Feb. 25, stated: "Consumers who are to be allotted copper, lead, zinc, and tin during March knew exactly where they stood at the end of the week. The machinery set up in Washington to allocate the scarce materials is operating fairly smoothly, according to trade comment. The price situation in major metals underwent no change during the last week. Effective March 1, prices of aluminum products will be reduced, in some instances sharply, as a result of renegotiation of the con-

tract with the Government. Extruded aluminum products will be lowered from a few cents up

to 20¢ a pound." The publication further went on to say in part:

### Copper

Wire mills received notification of tonnages of copper allotted to them for March on February 22, and the problem of who is to supply the metal has virtually been solved.

The price situation in copper remains unchanged. Domestic metal is moving to consumers on the basis of 12¢, Valley. Foreign copper is coming into the country at the equivalent of 11.75¢, f.a.s. United States ports.

The Non-Ferrous Metals Commission, Denver, on Feb. 19 announced increases in wages to approximately 2,000 workers employed by three copper companies in the upper peninsula of Michigan. Charles A. Graham, Chairman of the Commission, declared the raises were granted to eliminate "gross inequalities" in pay between non-ferrous metal workers in the area named and similar workers in other parts of the country. Copper Range, Isle Royale, and Quincy Mining are the three companies affected.

### Lead

The Metals Reserve Co. will release between 12,000 and 14,000 tons of lead during March to round out deliveries to domestic consumers. The question of allocations for next month was decided on Feb. 24 after meeting of the lead group in Washington.

Demand for lead is going along at about the same rate as in recent months. Sales of common lead for the last week were lower than in the week previous. Quotations were unchanged.

### Zinc

The broadened premium payment plan on over-quota mine production of zinc as finally announced by Jesse Jones contained little that was new to those identified with the industry. Among other points covered in the official release it is stated that "the quotas on which additional premiums are based may be increased at any time or may be revoked at any time upon 30 days' notice. Metals Reserve Co. will not effect any settlement with producers based on the additional premiums in the event of termination of the premium payment program prior to July 31, 1943."

Those eligible to obtain zinc during March received word on the extent of the quantities allotted to them during the last week. The quotation for Prime Western continued on the basis of 8 1/4¢, St. Louis.

### Tin

Bolivia exported 3,754 metric tons of tin contained in concentrate during the month of January, which compares with 3,267 tons in the same month last year.

Straits quality tin for forward delivery was as follows:

Feb. 18	52.000	52.000	52.000
Feb. 19	52.000	52.000	52.000
Feb. 20	52.000	52.000	52.000
Feb. 22		Holiday	
Feb. 23	52.000	52.000	52.000
Feb. 24	52.000	52.000	52.000

Chinese tin, 99% grade, continued at 51.125¢ a pound.

### Aluminum

Prices on semi-fabricated and fabricated aluminum have been reduced, effective March 1, it was announced last week by the Aluminum Company of America. Increased volume of production together with new and improved technique, have greatly reduced costs, which resulted in the renegotiation of the company's agreement with the United States Government and the downward revision in the schedule of prices. The price of virgin aluminum ingot remains unchanged on the basis of 15¢. Pig aluminum, the

## Living Costs In Large Cities Advanced 0.2% Between Dec. 15-Jan. 15, Labor Dept. Reports

Living costs of city workers increased 0.2% last month, the smallest monthly advance since February, 1941, Secretary of Labor Perkins reported on Feb. 23.

"The cost of goods and services under OPA control on January 15 rose 0.3% during the month," she said. "The cost of gas, electricity and other services controlled by other Government agencies remained unchanged, while prices of goods and services not under any form of governmental control declined for the first time since May. The decrease of 0.3% occurred largely because of seasonally lower fruit and vegetable prices."

Secretary Perkins further stated:

"The slower rate of advance for the month ending Jan. 15, was largely brought about by two factors. With new crops from the South, prices of a number of fresh fruits and vegetables declined and the usual January clearance sales of men's and women's heavy wool coats and men's suits in many stores throughout the country brought price reductions in clothing. However, prices of coal went up by 2.5%, and there were continued slight advances in prices of many staple foodstuffs."

The Labor Department's announcement further reported:

"The Bureau of Labor Statistics' cost of living index reflects actual prices in retail stores where families with moderate incomes usually trade. Black market operations or sales to customers who pay bonuses for services cannot however, be measured.

"Food: The family food bill advanced 0.2% from mid-December to mid-January. Among the principal increases were higher prices for meat which rose 1.1%. Beef, veal, pork, and lamb prices went up less than 1%, while prices of poultry and fish, used by many families as substitutes for red meats, advanced 3.3% and 2.9% respectively. Prices of fresh milk rose 1.4% on the average, with higher prices for delivered milk in 8 cities and higher store prices in 13. The usual winter increases were reported for cabbage, green beans, apples, sweet potatoes, onions, and white potatoes. Among the fresh vegetables not under OPA control, however, lettuce prices dropped seasonally by over 6%, while carrots and spir-

minimum 99%, is quoted at 14¢ a pound.

### Quicksilver

With domestic production continuing at a good rate, in spite of the winter season, and imports being maintained, the supply situation in quicksilver is viewed as highly satisfactory. Large consumers report that the demand for their products has not diminished. Prices in New York continued at \$196 to \$198 per flask.

### Silver

General Limitation Order L-227 was amended Feb. 20 to permit the use of copper for alloying silver for pen nibs.

On Feb. 9 the House of Representatives voted to nullify the Silver Purchase Act by barring the use of Treasury funds for the purchase of silver under the terms of the act. The silver industry took small notice of this development because it is known that strong opposition to changing the silver laws will be encountered in the Senate.

The London market for silver was unchanged throughout the last week at 23 1/2d per ounce troy. The New York Official held at 44 3/4¢, and the Treasury's price continued at 35¢.

### 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.

ach moved downward contrasessionally by 22 and 6%. Prices of oranges, grapefruits, and bananas, all under OPA control, declined seasonally. Prices of fats and oils rose 0.7%. Thrifty housewives are meeting this rise in part by selling waste fats back to their butchers.

The following table shows the trend of food prices from Dec. 15 to Jan. 12.

Group—	—Percentage Change—	
	Dec. 15, '42 to Jan. 12, '43	May 12, '42 to Jan. 12, '43
ALL FOODS	+0.2	+9.4
Foods under direct control Jan. 12, '43	+0.6	+7.4
Controlled on May 18, 1942	+0.6	+1.8
*Brought und. control since May 18, 1942	+0.3	+18.7
Foods not und. direct control Jan. 12, '43	-2.3	+27.2

"On Jan. 12 the Bureau's index of food costs stood 33% above the 1935-39 average, 9.4% above May 12, and 14% above a year ago.

"Clothing: Clothing prices remained unchanged on the average in the large cities of the country between Dec. 15 and Jan. 15, 1943. January clearance sales of men's and women's heavy woolen suits and coats brought about the decreases in 11 cities. Elsewhere, however, men's and women's wool coats returned to ceiling levels after December sales. Higher prices for shoes and shoe repairs were also reported. Goods of the quality previously priced were not available in some parts of the country, and clothing costs increased because customers were obliged to buy goods in higher price lines.

"Housefurnishings: Housefurnishing costs showed no change between Dec. 15 and Jan. 15. Birmingham, where prices of sheets advanced, was the only city reporting increased prices for household goods, while declines in prices of sheets were noted in New York, Philadelphia, and Pittsburgh. Part-wool blankets were also lower than in December in several cities.

"Fuel, electricity and ice: Costs of fuel, electricity and ice rose 0.9% over the month. Anthracite and bituminous coal ceilings were revised upward by OPA to compensate the retailer for the higher prices of coal at the mine. In addition, a Federal transportation tax on coal caused a slight increase. Fuel oil prices advanced in several cities as a result of expenses incurred by dealers in complying with the rationing program.

"Miscellaneous goods and services: Miscellaneous goods and services rose 0.3%. Higher charges for medical services were reported in Chicago, Cleveland, Detroit, Houston, San Francisco, and Seattle. Newspaper rates advanced in Buffalo, Chicago, Cincinnati, and Philadelphia.

"The relative importance of gasoline in cities on the Eastern Seaboard, as used in computing the index, was reduced to allow for decreased consumption caused by the lowered value of ration coupons and the ban on pleasure driving.

"Rents: Rents were not surveyed in January, as an economy measure. Since last September when rent control had become established in most large cities, rents have varied little from month to month in the 21 cities covered in the Bureau's monthly cost of living index. The Bureau's regular survey of rents will be made in March."

## Daily Average Crude Oil Production For Week Ended Feb. 20, 1943 Showed Slight Gain

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Feb. 20, 1943 was 3,874,300 barrels, an increase of 3,500 barrels over the preceding week. The current figure, however, was 203,050 barrels per day less than during the corresponding period last year, and was 288,000 barrels below the daily average figure for the month of February, 1943, as recommended by the Petroleum Administration for War. Daily production for the four weeks ended Feb. 20, 1943, averaged 3,856,200 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 3,694,000 barrels of crude oil daily and produced 10,324,000 barrels of gasoline; 4,029,000 barrels of distillate fuel oil, and 7,405,000 barrels of residual fuel oil during the week ended Feb. 20, 1943; and had in storage at the end of that week 92,215,000 barrels of gasoline; 33,367,000 barrels of distillate fuels and 70,428,000 barrels of residual fuel oils. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

State	*P.A.W. Recommendations		*State Allowables		Actual Production		Change		4 Weeks		Week	
	Feb. 1943	Feb. 1942	Feb. 1943	Feb. 1942	Week Ended Feb. 20, 1943	From Previous Week	Week Ended Feb. 20, 1943	From Previous Week	Week Ended Feb. 20, 1943	From Previous Week	Week Ended Feb. 21, 1943	From Previous Week
Oklahoma	395,300	395,300	395,300	395,300	1,347,700	-4,900	349,400	396,750				
Kansas	310,500	310,500	310,500	310,500	1,316,600	+16,800	303,500	247,100				
Nebraska	3,000		3,000		12,600	+250	2,400	4,450				
Panhandle Texas			88,900		88,900		88,800	86,700				
North Texas			135,350		135,700		135,700	148,700				
West Texas			213,900		207,500		209,250	299,250				
East Central Texas			100,000		100,400		100,400	90,700				
East Texas			325,100		325,700		325,700	368,400				
Southwest Texas			157,750		162,250		162,250	222,600				
Coastal Texas			322,100		322,100	+2,100	317,700	297,450				
<b>Total Texas</b>	<b>1,452,000</b>	<b>1,452,714</b>	<b>1,343,100</b>		<b>1,343,100</b>	<b>+2,100</b>	<b>1,338,050</b>	<b>1,513,800</b>				
North Louisiana			90,750		90,750	-800	91,400	81,250				
Coastal Louisiana			246,550		246,550		246,850	272,700				
<b>Total Louisiana</b>	<b>349,600</b>	<b>362,300</b>	<b>337,300</b>		<b>337,300</b>	<b>-800</b>	<b>338,250</b>	<b>353,950</b>				
Arkansas	78,700	74,826	75,250		75,250	-450	75,400	73,350				
Mississippi	50,000		155,000		155,000	-1,900	55,400	90,550				
Illinois	272,200		242,700		242,700	-2,500	239,000	346,750				
Indiana	17,200		115,800		115,800	+100	16,600	16,950				
Eastern (not incl. Ill. & Ind.)	114,600		82,750		82,750	-11,800	90,250	95,200				
Michigan	63,700		58,600		58,600	-4,600	59,800	50,700				
Wyoming	94,100		91,700		91,700	+4,850	88,750	86,850				
Montana	24,700		21,450		21,450		21,700	21,700				
Colorado	7,000		7,100		7,100	-150	6,950	5,700				
New Mexico	105,800	105,800	96,600		96,600		97,450	119,950				
<b>Total east of Calif.</b>	<b>3,338,600</b>		<b>3,094,300</b>		<b>3,094,300</b>	<b>-3,000</b>	<b>3,082,850</b>	<b>3,423,750</b>				
California	823,700	823,700	780,000		780,000	+6,500	773,350	653,600				
<b>Total United States</b>	<b>4,162,300</b>		<b>3,874,300</b>		<b>3,874,300</b>	<b>+3,500</b>	<b>3,856,200</b>	<b>4,077,350</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 November, 1942, as follows: Oklahoma, 29,900; Kansas, 5,800; Texas, 106,300; Louisiana, 20,800; Arkansas, 3,000; Illinois, 10,300; Eastern (not including Illinois and Indiana), 11,500; Michigan, 100; Wyoming, 2,600; Montana, 300; New Mexico, 5,800; California, 42,100.

†Oklahoma, Kansas, Nebraska, Mississippi, Indiana figures are for week ended 7 a.m. Feb. 17.

‡This is the net basic allowable as of Feb. 1 calculated on a 28-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 3 to 13 days, the entire state was ordered shut down for 10 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 10 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, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED FEB. 20, 1943

(Figures in Thousands of barrels of 42 Gallons Each)

District	Daily Refining Capacity	Potential Rate	% Re-ported	Crude Runs to Still Average	Crude % Op-erated	at Re-fineries	Stocks of Gasol-ine					
Combin'd: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana - Arkansas and Inland Texas	2,444	88.7	1,667	68.2	4,566	39,838	15,637	10,394				
Appalachian	177	84.8	152	85.9	405	3,017	666	574				
Ind., Ill., Ky.	811	85.0	743	91.6	2,262	19,505	3,881	2,755				
Okl., Kansas, Mo.	416	80.1	345	82.9	1,068	7,569	1,516	1,385				
Rocky Mountain	147	48.0	87	59.2	319	2,000	369	536				
California	817	89.9	700	85.7	1,704	20,286	11,298	54,784				
<b>Tot. U. S. B. of M. basis Feb. 20, 1943</b>	<b>4,812</b>	<b>86.2</b>	<b>3,694</b>	<b>76.8</b>	<b>10,324</b>	<b>192,215</b>	<b>33,367</b>	<b>70,428</b>				
<b>Tot. U. S. B. of M. basis Feb. 13, 1943</b>	<b>4,812</b>	<b>85.9</b>	<b>3,605</b>	<b>74.9</b>	<b>10,453</b>	<b>192,313</b>	<b>34,292</b>	<b>70,666</b>				
<b>U. S. Bur. of Mines basis Feb. 21, 1942</b>			<b>3,876</b>		<b>12,506</b>	<b>106,984</b>	<b>35,433</b>	<b>87,825</b>				

At the request of the Petroleum Administration for War. †Finished, 82,088,000 barrels; unfinished, 10,127,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 4,029,000 barrels of gas oil and distillate fuel and 7,405,000 barrels of residual fuel oil produced during the week ended Feb. 20, 1943, which compared with 4,138,000 barrels and 7,573,000 barrels, respectively, in the preceding week, and 3,799,000 barrels and 6,813,000 barrels, respectively, in the week ended Feb. 21, 1942. †Revised in Indiana-Illinois-Kentucky district, due to inclusion of 204,000 barrels of unfinished gasoline not previously reported.

## Weekly Coal And Coke Production Statistics

The Bituminous Coal Division, U. S. Department of the Interior, in its latest report, states that production of soft coal continues at approximately the same high rate attained in the week ended Feb. 13. The total output in the week ended Feb. 20 is estimated at 12,160,000 net tons compared with 12,200,000 tons in the preceding week and 10,971,000 tons in the corresponding week of 1942. For the current year to date, soft coal production was 1.7% in excess of that for the same period last year.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended Feb. 20, 1943 was estimated at

1,133,000 tons, a decrease of 204,000 tons (15.3%) from the preceding week. When compared with the output in the corresponding week of 1942, there was a decrease of 26,000 tons, or 2.2%. The calendar year to date shows a gain of 1.5%.

The U. S. Bureau of Mines also reported that the estimated production of by-product coke in the United States for the week ended Feb. 20 showed an increase of 700 tons when compared with the output for the week ended Feb. 13. The quantity of coke from bee-hive ovens decreased 8,100 tons during the same period.

### ESTIMATED UNITED STATES PRODUCTION OF COAL WITH COMPARABLE DATA ON PRODUCTION OF CRUDE PETROLEUM

	Week Ended			January 1 to Date		
	Feb. 20 1943	Feb. 13 1943	Feb. 21 1942	Feb. 20 1943	Feb. 21 1942	Feb. 20 1937
Bituminous coal and lignite—	12,160	12,200	10,971	83,369	81,954	72,751
Total incl. mine fuel	12,160	12,200	10,971	83,369	81,954	72,751
Daily averag	2,027	2,033	1,829	1,399	1,863	1,692
*Crude Petroleum—						
Coal equivalent of Weekly output	6,206	6,200	6,530	45,226	49,605	37,714

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

### ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

	Week Ended			Calendar Year to Date		
	Feb. 20 1943	Feb. 13 1943	Feb. 21 1942	Feb. 20 1943	Feb. 21 1942	Feb. 23 1929
Penn. anthracite—	1,133,000	1,337,000	1,159,000	8,128,000	8,009,000	12,429,000
*Total, incl. colliery fuel	1,133,000	1,337,000	1,159,000	8,128,000	8,009,000	12,429,000
†Commercial production	1,088,000	1,284,000	1,113,000	7,803,000	7,689,000	11,534,000
Beehive coke—						
United States total—	150,700	158,800	140,900	1,118,400	1,099,900	900,600
By-product coke—						
United States total—	1,220,800	1,220,100	1,168,600	8,850,700	8,731,600	†

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

### ESTIMATED WEEKLY PRODUCTION OF COAL, BY STATES

State	Week Ended					
	Feb. 13 1943	Feb. 6 1943	Feb. 14 1942	Feb. 15 1941	Feb. 13 1937	Feb. 13 1923
Alabama	389	372	363	353	304	409
Alaska	6	6	6	3	2	**
Arkansas and Oklahoma	108	105	61	77	100	87
Colorado	186	189	169	143	206	231
Georgia and North Carolina	1	1	1	††	1	**
Illinois	1,423	1,454	1,300	1,246	1,407	1,993
Indiana	505	507	563	467	483	613
Iowa	66	61	75	67	125	136
Kansas and Missouri	217	217	181	168	204	174
Kentucky—Eastern	947	935	760	866	629	556
Kentucky—Western	317	307	281	238	63	226
Maryland	58	33	40	38	41	51
Michigan	8	8	10	13	18	26
Montana (bituminous and lignite)	105	106	61	64	77	80
New Mexico	37	37	34	28	46	58
North and South Dakota (lignite)	64	85	53	54	79	**37
Ohio	748	742	624	577	625	694
Pennsylvania (bituminous)	2,880	2,798	2,876	2,795	2,652	3,085
Tennessee	145	147	147	154	119	127
Texas (bituminous and lignite)	5	6	5	7	15	23
Utah	129	131	82	77	117	96
Virginia	406	398	354	339	294	212
Washington	42	38	41	35	56	77
*West Virginia—Southern	2,260	2,077	1,955	1,990	1,763	1,127
*West Virginia—Northern	961	930	844	717	715	673
Wyoming	205	198	148	126	164	156
†Other Western States	2	2	††	††	††	**7
<b>Total bituminous and lignite</b>	<b>12,200</b>	<b>11,880</b>	<b>11,039</b>	<b>10,642</b>	<b>10,305</b>	<b>10,956</b>
†Pennsylvania anthracite	<b>1,337</b>	<b>1,344</b>	<b>1,168</b>	<b>1,262</b>	<b>1,028</b>	<b>1,902</b>
<b>Total all coal</b>	<b>13,537</b>	<b>13,224</b>	<b>12,207</b>	<b>11,904</b>	<b>11,333</b>	<b>12,858</b>

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

## Electric Output For Week Ended Feb. 27, 1943 Shows 14.2% Gain Over Same Week Last Year

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended Feb. 27, 1943, was approximately 3,892,796,000 kwh., compared with 3,409,907,000 kwh. in the corresponding week last year, an increase of 14.2%. The output for the week ended Feb. 20, 1943, was 15.3% in excess of the similar period in 1942.

### PERCENTAGE INCREASE OVER PREVIOUS YEAR

Major Geographical Divisions	Week Ended			
	Feb. 27 1943	Feb. 20 1943	Feb. 13 1943	Feb. 6 1943
New England	4.5	4.6	6.0	3.1
Middle Atlantic	8.4	9.2	8.6	5.1
Central Industrial	11.8	13.1	12.4	11.8
West Central	12.8	13.7	13.0	15.0
Southern States	17.7	19.7	19.3	20.4
Rocky Mountain	9.4	14.8	14.2	12.3</

### Britain Will Buy So. American Meat For U. S. Forces Overseas

The Office of War Information announced on Feb. 21 that the United States is included among the United Nations on whose behalf the British Ministry of Food will be the sole purchaser this year of meat and meat products from Argentina, Brazil, Paraguay and Uruguay.

It is stated that this recommendation by the Combined Food Board was accepted by Secretary of Agriculture Wickard following review by an interagency committee including representatives of the Department of State, Board of Economic Warfare, War Shipping Administration, Office of Lend-Lease Administration and War Production Board.

The New York "Herald Tribune" in its Washington advice Feb. 21 stated: "Officials said all food earmarked for the United States in the pool would go to men in the armed forces overseas—none would be brought to continental United States."

"Total supplies bought by the British Food Ministry will be allocated among various claimant nations on the basis of recommendations of the Combined Food Board developed from surveys of total world meat supplies and war-time requirements."

"This unified buying plan, it was explained, was adopted to provide more efficient use of shipping, to make possible the orderly allocation of a war commodity vital to the United Nations throughout the world and to utilize tin more fully for military purposes."

"On account of its non-perishable character and utility under all conditions, particularly for combat troops, canned meat is given a high priority rating by military services. In order that canned meat may be conserved for the military services in action, consumption by the civilian populations will be eliminated by all the countries accepting the recommendation, and consumption within the military services will be limited to situations where other types of meat are not available."

### Gross And Net Earnings Of United States Railroads For The Month Of December

Earnings of the railroads of the United States for the month of December are not up to the all time record levels attained in the month of October but are close to the peak figures. Weather conditions in December were severe in nearly all parts of the northern section of the country and was a condition that the roads did not have to contend with in October. The December, 1942, results when compared with the corresponding month a year ago reflect the great strides that have been made in the all-out war effort.

Gross earnings of the railroads of the United States in December, 1942 were \$702,994,999 against \$479,573,554 in December, 1941, a gain of \$223,421,445, or 46.59%. Net earnings in December, 1942 were \$271,123,910 as against \$126,981,858 in December, 1941, an increase of \$144,142,052, or 113.51%.

The ratio of expenses to earnings in December, 1942 was 61.43%, which compares with 73.52% in December, 1941 and with 58.89% in November, 1942. We now give in tabular form the results for the month of December, 1942, as compared with December, 1941:

Month of December	1942	1941	Incr. (+) or Decr. (-)	Amount	%
Mileage of 132 roads	229,800	231,811	-	2,011	-0.90
Gross earnings	\$702,994,999	\$479,573,554	+	\$223,421,445	+46.59
Operating expenses	431,871,089	352,591,696	+	79,279,393	+22.48
Ratio of expenses to earnings	(61.43%)	(73.52%)			
Net earnings	\$271,123,910	\$126,981,858	+	\$144,142,052	+113.51

As shown above, the gross earnings of the railroads increased 45.59% for the month of December.

Now let us turn to the general business indices which underlie the upward course of the railroad earnings for the last month of 1942. In order to show the relation of the trends of the general activity of business to the gross earnings of the railroads during the month under review, we have assembled in the subjoined table those figures representative of the activity in the more vital industries for December of 1942 in comparison with the corresponding month for the years 1941, 1940, 1932 and 1929:

December	1942	1941	1940	1932	1929
<b>Building (\$000):</b>					
†Const. contracts awarded	\$708,716	\$431,626	\$456,189	\$81,219	\$316,368
<b>Coal (net tons):</b>					
†Bituminous	48,400,000	48,694,000	41,400,000	31,522,000	47,046,000
†Pennsylvania anthracite	4,611,000	4,271,000	4,834,000	5,141,000	7,377,000
<b>Freight Traffic:</b>					
†Carloadings, all (cars)	23,455,511	23,722,504	23,332,086	22,486,832	24,137,016
†Livestock receipts:					
Chicago (cars)	8,059	7,843	7,931	12,261	20,024
Kansas City (cars)		3,164	2,498	3,493	8,485
Omaha (cars)	3,392	3,185	2,340	2,626	5,954
††Western flour and grain receipts:					
Flour (000 barrels)	x1,905	x1,698	x1,570	x1,428	x1,556
Wheat (000 bushels)	x26,323	x21,764	x8,499	x12,212	x20,555
Corn (000 bushels)	x34,585	x25,402	x19,090	x9,438	x28,542
Oats (000 bushels)	x6,755	x7,254	x5,007	x3,222	x6,588
Barley (000 bushels)	x10,005	x12,022	x7,952	x2,693	x3,093
Rye (000 bushels)	x1,128	x2,643	x730	x575	x4,946
<b>Iron and Steel (net tons):</b>					
†††Steel ingot production	7,303,179	7,150,315	6,495,357	964,358	3,251,373
<b>Lumber (000 ft.):</b>					
†††Production		2,961,704	2,100,784	3,344,956	x1,127,561
†††Shipments		2,982,618	2,120,481	x365,764	x968,657
†††Orders received		2,124,704	2,109,749	x406,680	x992,375

\*Not available. Note—Figures in above table issued by: †P. W. Dodge Corp. (figures for 37 States east of Rocky Mountains). ††National Bituminous Coal Commission. †††United States Bureau of Mines. †††Association of American Railroads. †††Reported by major stock yard companies in each city. †††New York Produce Exchange. †††American Iron and Steel Institute. †††National Lumber Manufacturers' Association (number of reporting mills varies in different years). x Four weeks. z Five weeks.

### N. Y. Cotton Textile Merchants Ass'n Elect

At a Director's meeting on Feb. 24 of the Association of Cotton Textile Merchants of New York, the following were reelected to office for the current year:

President, W. Ray Bell. Vice President, Saul F. Dribben (of Cone Export & Commission Co.)

Treasurer, Charles A. Sweet (of Wellington Sears Co.)

To serve with these officers as an Executive Committee were named:

William J. Gallon of J. P. Stevens & Co., Inc. Gerrish H. Milliken of Deering-Milliken & Co., Inc.

Frederic A. Williams of Cannon Mills, Inc.

An item regarding new directors of the Association and a review of cotton textile activity during the past year appeared in these columns of Feb. 18, page 652.

### Greek Church Honors President Roosevelt

Representatives of the United Greek Orthodox Churches in the Americas presented to President Roosevelt on Feb. 25 the Grand Cross of the Holy Sepulchre containing a piece of wood described as a part of the cross on which Christ was crucified.

Associated Press Washington advices indicating this added:

"It is the highest blessing the Greek church can bestow and it was conferred on Mr. Roosevelt in acknowledgment of your nobility of mind and heart, in ap-

preciation of your ceaseless efforts in behalf of liberty, justice and peace and in recognition of the fact that the essence of Christ's teachings is found in the four freedoms of the Atlantic Charter."

"The cross was sent to Mr. Roosevelt by the highest official of the Greek church, His Beatitude Timotheos, the patriarch of Jerusalem."

"Because of a slight illness, the President was unable to meet the delegation of Greek churchmen personally and the award was accepted for him by his secretary and military aide, Major Gen. Edwin M. Watson."

"The group was headed by Archbishop Athenagoras of the Greek Church in North and South America. He was accompanied by high officials of the Syrian, Russian and Serbian churches."

to translate their gross earnings into net earnings of \$100,000 or more. At the same time four roads showed downward fluctuations in the gross and seven in the net recorded declines.

Analyzing the roads individually the Southern Pacific was foremost in both gross and net listings with increases of \$22,420,163 and \$18,376,600, respectively. The Union Pacific followed the list of gross gains with \$18,983,104, while the Atchison Topeka & Santa Fe was second in the net category with an increase of \$11,455,300. The Pennsylvania was third in the gross column showing an improvement of \$17,945,529. The New York Central captured third place honors in the net classification with a gain of \$11,147,475 over 1941. Other roads showing substantial increases were Baltimore & Ohio, Chicago Burlington & Quincy, Missouri Pacific, Atlantic Coast Line, Louisville & Nashville and Southern Ry. It is interesting to note that in this era of increased operating expenses and taxes, all of these roads were able to convert an amazing high percentage of their gross increases into the net column. In reference to decreases, the Virginian led the gross category, while the Bessemer & Lake Erie showed the largest decrease in the net, one of \$911,834.

In the following tabulations we present the major variations of \$100,000 or more, whether they be increases or decreases, in both gross and net listings for the separate roads and systems:

PRINCIPAL CHANGES IN GROSS EARNINGS FOR THE MONTH OF DECEMBER			
	Increase	Increase	
Southern Pacific (2 roads)	\$22,420,163	International Great Northern	\$885,339
Union Pacific	18,983,104	Delaware & Hudson	839,954
Pennsylvania	17,945,529	Long Island	819,164
Atchison Topeka & Santa Fe	14,486,465	Delaware Lack & Western	804,541
New York Central	13,250,158	Colorado & Southern (2 rds.)	786,092
Baltimore & Ohio	7,019,344	Alabama Great Southern	754,195
Missouri Pacific	6,999,357	Western Maryland	713,977
Southern	6,328,269	Central of Georgia	709,681
Atlantic Coast Line	6,277,758	Chicago & East Illinois	709,101
Chicago Burlington & Quincy	5,709,109	Louisiana & Arkansas	651,662
Louisville & Nashville	5,437,679	New Orleans & Northeastern	552,841
Chicago Rock Island & Pacific	5,237,777	Chicago St. P. Minn. & Omaha	458,964
Illinois Central	5,202,106	Chicago Great Western	449,512
Seaboard Air Line	4,952,228	Grand Trunk Western	398,696
Great Northern	4,747,468	Wheeling & Lake Erie	366,197
New York New Haven & Hart.	4,524,508	Minneapolis & St. Louis	320,060
Chicago Milw. St. Paul & Pac.	4,372,362	Spokane Portland & Seattle	313,597
Northern Pacific	3,822,840	Maine Central	285,486
Missouri-Kansas-Texas	3,469,141	Georgia	252,009
St. Louis-San Fran. (2 roads)	3,145,706	Georgia Southern & Florida	241,477
Chicago & North Western	3,016,183	Northwestern Pacific	235,574
Chesapeake & Ohio	3,015,365	Western Ry. of Alabama	205,179
New York Chicago & St. Louis	2,986,615	Bangor & Aroostook	202,824
St. Louis Southwestern	2,788,314	Atlanta Birmingham & Coast	200,028
Norfolk & Western	2,429,355	Toledo Peoria & Western	195,402
Denver & Rio Grande Western	2,363,903	Atlanta & West Point	191,505
Lehigh Valley	2,120,993	Pittsburgh & Lake Erie	189,324
Texas & Pacific	2,160,887	Penn. Reading Sea Shore Lines	175,394
Erie	2,107,881	Pittsburgh & West Virginia	140,639
Reading	2,074,969	Kansas Oklahoma & Gulf	140,534
Wabash	2,037,347	Spokane International	132,252
Yazoo & Mississippi Valley	1,591,724	Illinois Terminal	131,076
Western Pacific	1,578,643	New York Susq. & Western	116,885
Kansas City Southern	1,522,304	Elgin Joliet & Eastern	115,069
Florida East Coast	1,464,475	Gulf & Ship Island	115,023
Richmond Fred. & Potomac	1,436,673	Staten Island Rapid Transit	107,646
Nashville Chat. & St. Louis	1,426,961		
Boston & Maine	1,372,130	Total (86 roads)	\$223,171,885
Pere Marquette	1,280,504		Decrease
Central of New Jersey	1,230,114	Virginian	\$540,223
Alton	1,136,852	Duluth Missabe & Iron Range	206,716
Cincin. New Or. & Tex. Pac.	1,001,777	Canadian Nat. Lines in N. E.	146,153
Gulf Mobile & Ohio	947,516	Bessemer & Lake Erie	120,769
Minn. St. P. & S. S. M.	938,705		
New Or. Tex. & Mex. (3 rds.)	901,625	Total (4 roads)	\$1,013,863

\*These figures cover the operations of the New York Central and the leased lines—Cleveland Cincinnati Chicago & St. Louis, Michigan Central, Cincinnati Northern and Evansville Indianapolis & Terre Haute. Including Pittsburgh & Lake Erie, the result is an increase of \$13,439,482.

### PRINCIPAL CHANGES IN NET EARNINGS FOR THE MONTH OF DECEMBER

	Increase	Increase	
Delaware Lack & Western	\$618,094	Pere Marquette	663,538
Southern Pacific (2 roads)	\$18,376,600	Western Maryland	499,649
Atchison Topeka & Santa Fe	11,455,300	Chicago & East Illinois	467,131
New York Central	11,147,475	Central of Georgia	453,592
Union Pacific	10,859,931	New Or. Tex. & Pac. (3 rds.)	446,245
Pennsylvania	8,953,517	Alabama Great Southern	429,049
Southern	5,649,090	Wheeling & Lake Erie	376,579
Atlantic Coast Line	5,009,349	Maine Central	376,579
Missouri Pacific	4,344,225	New Orleans & Northeast	360,073
Chicago Burlington & Quincy	4,012,373	Yazoo & Mississippi Valley	349,362
Louisville & Nashville	3,682,355	Delaware & Hudson	294,505
Baltimore & Ohio	3,605,254	Minneapolis & St. Louis	285,758
Great Northern	3,536,544	Colorado & Southern (2 roads)	284,026
Chicago Milw. St. P. & Pac.	3,519,461	Chicago Great Western	278,979
New York New Haven & Hart.	3,393,572	Chicago St. P. Minn. & Omaha	266,251
St. Louis-San Fran. (2 roads)	2,881,251	Georgia	237,141
Northern Pacific	2,746,559	Northwestern Pacific	224,767
Chicago Rock Island & Pac.	2,690,151	Florida Southern & Florida	210,628
Chicago & North Western	2,580,080	Florida East Coast	202,824
St. Louis Southwestern	2,455,406	Western Ry. of Alabama	185,414
Seaboard Air Line	2,276,437	Spokane Portland & Seattle	181,338
New York Chicago & St. Louis	2,120,223	Atlanta & West Point	162,931
Chesapeake & Ohio	2,044,167	Bangor & Aroostook	157,730
Erie	1,952,448	Toledo Peoria & Western	128,987
Denver & Rio Grande Western	1,486,034	Penn Reading Sea Shore Lines	116,953
Texas & Pacific	1,420,557	Grand Trunk Western	114,220
Reading	1,405,056	Pittsburgh & West Virginia	111,197
Wabash	1,391,362	Kansas Oklahoma & Gulf	108,679
Richmond Fred. & Potomac	1,136,553	Illinois Terminal	108,679
Minn. St. Paul & S. S. M.	1,213,014		
Lehigh Valley	1,201,756	Total (75 roads)	\$146,232,008
Missouri-Kansas-Texas	1,134,987		Decrease
Boston & Maine	1,084,542	Bessemer & Lake Erie	\$911,834
Norfolk & Western	1,021,823	Illinois Central	892,345
Nashville Chat. & St. Louis	976,580	Louisiana & Arkansas	844,074
Cincin. New Or. & Tex. Pac.	875,518	Virginian	553,766
Western Pacific	809,053	Duluth Missabe & Iron Range	513,341
Gulf Mobile & Ohio	735,131	Atlanta Birmingham & Coast	169,842
International Great Northern	720,414	Kansas City Southern	151,407
Central of New Jersey	710,868		
Alton	691,900	Total (7 roads)	\$4,036,609

\*These figures cover the operations of the New York Central and the leased lines—Cleveland Cincinnati Chicago & St. Louis, Michigan Central, Cincinnati Northern and Evansville Indianapolis & Terre Haute. Including Pittsburgh & Lake Erie, the result is an increase of \$11,144,102.

In order to indicate more clearly which sections of the country have been most active, we now turn to our break-down of the nation as a whole. Arranging the roads in groups of geographical divisions, according to their location, the generally favorable results recorded during the month under review are very clearly manifested. Every District into which the country is divided reported increases over a year earlier, in both categories. The Western District, in conformity with previous showing, led both the gross and net categories with percentage gains of 63.02% and 167.81%, respectively. The Southern and Eastern Districts headed the gross earnings column with increases of 48.29% and 31.27% respectively, but in the net Eastern exceeded the Southern District.

After a brief perusal of the totals compiled for the small subdivisions, we notice that the Southwestern region led the gross

classification with a gain of 72.80%, while the Central Western region, which was second in gross, recorded the greatest increase, one of 191.65%, in the net listing. The Southwestern captured second place in the latter classification indicating an increase of 146.14%. Percentage gains of the other roads in both gross and net ranged from 24.47% to 135.97%.

Without further comment, we now make reference to our summary grouping which follows and which coincides with the classification prescribed by the Interstate Commerce Commission. The territories covered by the various divisions, districts and regions are explained in the footnote which is subjoined to the following table:

SUMMARY BY GROUPS—MONTH OF DECEMBER

District and Region	Gross Earnings			
	1942	1941	Incr. (+) or Dec. (-)	%
<b>Eastern District—</b>				
New England region (10 roads)	25,234,381	18,999,181	+ 6,235,200	+ 32.82
Great Lakes region (23 roads)	112,990,918	86,500,410	+ 26,490,508	+ 30.62
Central Eastern region (18 roads)	131,532,870	100,003,835	+ 31,529,035	+ 31.53
<b>Total (51 roads)</b>	<b>269,758,169</b>	<b>205,503,426</b>	<b>+ 64,254,743</b>	<b>+ 31.27</b>
<b>Southern District—</b>				
Southern region (26 roads)	104,221,087	66,118,501	+ 38,102,586	+ 57.63
Peachontas region (4 roads)	32,257,643	25,916,473	+ 6,341,170	+ 24.47
<b>Total (30 roads)</b>	<b>136,478,730</b>	<b>92,034,974</b>	<b>+ 44,443,756</b>	<b>+ 48.29</b>
<b>Western District—</b>				
Northwestern region (15 roads)	68,374,921	49,843,704	+ 18,531,217	+ 37.18
Central Western region (16 roads)	162,306,609	93,952,844	+ 68,353,765	+ 72.75
Southwestern region (20 roads)	66,076,570	38,238,606	+ 27,837,964	+ 72.80
<b>Total (51 roads)</b>	<b>296,758,100</b>	<b>182,035,154</b>	<b>+ 114,722,946</b>	<b>+ 63.02</b>
<b>Total all districts (132 roads)</b>	<b>702,994,999</b>	<b>479,573,554</b>	<b>+ 223,421,445</b>	<b>+ 46.59</b>

  

District and Region	Net Earnings					
	1942	1941	Incr. (+) or Dec. (-)	%		
<b>Eastern District—</b>						
New England region, 6,602	6,646	9,983,477	5,099,122	+ 4,884,355	+ 95.79	
Great Lakes region, 25,958	26,119	38,516,995	18,687,203	+ 19,829,792	+ 106.11	
Central East. region, 24,091	24,269	40,391,497	24,617,537	+ 15,773,960	+ 64.08	
<b>Total</b>	<b>56,651</b>	<b>57,034</b>	<b>88,891,969</b>	<b>48,403,862</b>	<b>+ 40,488,107</b>	<b>+ 83.65</b>
<b>Southern District—</b>						
Southern region, 37,470	37,836	41,865,984	20,024,867	+ 21,841,117	+ 109.07	
Peachontas region, 6,025	6,076	15,622,468	11,973,691	+ 3,648,777	+ 30.47	
<b>Total</b>	<b>43,495</b>	<b>43,912</b>	<b>57,488,452</b>	<b>31,998,558</b>	<b>+ 25,489,894</b>	<b>+ 79.66</b>
<b>Western District—</b>						
Northwestern region, 45,478	45,619	24,852,133	10,531,883	+ 14,320,250	+ 135.97	
Central West. region, 55,368	56,199	71,536,289	24,527,723	+ 47,008,566	+ 191.65	
Southwestern region, 28,809	29,047	28,355,067	11,519,832	+ 16,835,235	+ 146.14	
<b>Total</b>	<b>129,655</b>	<b>130,865</b>	<b>124,743,489</b>	<b>46,579,438</b>	<b>+ 78,164,051</b>	<b>+ 167.81</b>
<b>Total all districts, 229,800</b>	<b>231,811</b>	<b>271,123,910</b>	<b>126,981,858</b>	<b>+ 144,142,052</b>	<b>+ 113.51</b>	

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

EASTERN DISTRICT

**New England Region**—Comprises the New England States.  
**Great Lakes Region**—Comprises the section on the Canadian boundary between New England and the westerly shore of Lake Michigan to Chicago, and north of a line from Chicago via Pittsburgh to New York.  
**Central Eastern Region**—Comprises the section south of the Great Lakes region east of a line from Chicago through Peoria to St. Louis and the Mississippi River to the mouth of the Ohio River, and north of the Ohio River to Parkersburg, W. Va., and a line thence to the southwestern corner of Maryland and by the Potomac River to its mouth.

SOUTHERN DISTRICT

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

WESTERN DISTRICT

**Northwestern Region**—Comprises the section adjoining Canada lying west of the Great Lakes Region, north of a line from Chicago to Omaha and thence to Portland, and by the Columbia River to the Pacific.  
**Central Western Region**—Comprises the section south of the Northwestern Region west of a line from Chicago to Peoria and thence to St. Louis, and north of a line from St. Louis to Kansas City and thence to El Paso and by the Mexican boundary to the Pacific.  
**Southwestern Region**—Comprises the section lying between the Mississippi River south of St. Louis and a line from St. Louis to Kansas City and thence to El Paso, and by the Rio Grande to the Gulf of Mexico.

The Western grain movement for December of 1942 was somewhat more moderate than that of the corresponding period of 1941. With respect to the individual grains, flour arrivals recorded an increase of 207,000 barrels over 1941's aggregate of 1,698,000 barrels. Corn receipts increased 9,183,000 bushels to 34,585,000 bushels, and this advance combined with a gain of 4,559,000 bushels in wheat receipts more than offset minor downward trends in oats and rye and a somewhat more serious decrease of 2,017,000 bushels in barley receipts.

In our usual form, we now present a detailed statement of the grain traffic over the Western roads for the four weeks ended Dec. 26, 1942, as compared with the corresponding period ended Dec. 27, 1941.

WESTERN FLOUR AND GRAIN RECEIPTS

(000) Omitted	Year	Four Weeks Ended Dec. 26					
		Flour (bbls.)	Wheat (bush.)	Corn (bush.)	Oats (bush.)	Rye (bush.)	Barley (bush.)
Chicago	1942	921	1,469	10,340	1,063	296	1,741
	1941	862	1,837	7,727	1,241	741	1,289
Minneapolis	1942	32	9,901	2,159	1,836	648	4,189
	1941	—	9,923	1,902	3,804	872	5,181
Duluth	1942	—	3,929	372	—	96	415
	1941	—	3,880	2,379	—	392	1,164
Milwaukee	1942	44	8	727	4	—	2,870
	1941	75	2	997	8	479	3,810
Toledo	1942	62	763	1,271	1,244	—	3
	1941	—	365	702	361	—	39
Indianapolis & Omaha	1942	—	1,561	6,211	911	—	—
	1941	—	984	4,027	672	32	—
St. Louis	1942	559	2,185	3,428	370	15	181
	1941	553	606	1,423	291	58	192
Peoria	1942	187	662	3,672	94	16	274
	1941	154	83	2,965	134	56	265
Kansas City	1942	100	4,579	3,623	420	—	—
	1941	54	3,555	2,185	258	—	—
St. Joseph	1942	—	585	739	166	—	—
	1941	—	230	368	259	—	—
Wichita	1942	—	1,574	—	—	—	—
	1941	—	1,044	—	—	—	—
Sioux City	1942	—	107	2,043	162	47	296
	1941	—	85	727	97	15	118
<b>Total all</b>	<b>1942</b>	<b>1,905</b>	<b>26,323</b>	<b>34,585</b>	<b>6,755</b>	<b>1,128</b>	<b>10,005</b>
	<b>1941</b>	<b>1,698</b>	<b>21,764</b>	<b>25,402</b>	<b>7,254</b>	<b>2,643</b>	<b>12,022</b>

In conclusion, we now furnish, in the following table, a summary of the gross and net earnings of the railroads of the country for the present year in comparison with each year back to 1909 inclusive:

Month of December	Gross Earnings				Mileage			
	Year Given	Year Preceding	Incr. (+) or Dec. (-)	%	Year Given	Year Preceding	Incr. (+) or Dec. (-)	%
1909	\$217,724,459	\$203,799,142	+ \$13,925,317	+ 6.83	229,369	225,666	+ 3,703	+ 1.64
1910	229,379,163	214,311,201	+ 15,067,962	+ 7.03	228,687	225,177	+ 3,510	+ 1.56
1911	233,614,912	232,275,177	+ 1,339,735	+ 0.57	238,561	235,682	+ 2,879	+ 1.22
1912	263,768,603	234,087,361	+ 29,681,242	+ 12.68	238,072	234,146	+ 3,926	+ 1.67
1913	254,218,891	266,224,678	- 12,005,787	- 4.51	243,322	241,180	+ 2,142	+ 0.89
1914	232,598,369	258,285,270	- 25,686,901	- 9.94	246,807	243,242	+ 3,565	+ 1.46
1915	295,202,018	232,763,070	+ 62,438,948	+ 26.82	248,437	247,673	+ 764	+ 0.31
1916	262,171,169	242,064,235	+ 20,106,934	+ 8.31	216,811	215,669	+ 1,142	+ 0.53
1917	343,875,052	317,836,386	+ 26,038,666	+ 8.19	247,988	247,271	+ 717	+ 0.29
1918	436,365,327	335,607,571	+ 102,757,756	+ 30.62	232,774	232,399	+ 375	+ 0.16
1919	451,991,330	440,481,121	+ 11,510,209	+ 2.61	233,899	233,814	+ 85	+ 0.04
1920	406,864,055	443,124,176	- 36,260,121	- 8.18	229,422	228,134	+ 1,288	+ 0.56
1921	512,433,733	424,600,143	+ 87,833,590	+ 20.66	225,619	224,784	+ 835	+ 0.37
1922	493,099,550	512,315,354	- 19,215,804	- 3.75	235,379	235,555	- 176	- 0.07
1923	504,818,559	493,509,841	+ 11,308,718	+ 2.29	236,196	235,875	+ 321	+ 0.14
1924	523,401,764	504,450,580	+ 18,951,184	+ 3.69	236,957	236,057	+ 900	+ 0.38
1925	525,411,572	522,467,600	+ 2,943,972	+ 0.56	236,982	237,373	- 391	- 0.16
1926	466,526,003	525,820,708	- 59,294,705	- 11.28	238,552	237,711	+ 841	+ 0.35
1927	495,574,485	468,395,841	+ 27,178,644	+ 5.80	240,337	239,286	+ 1,051	+ 0.44
1928	468,182,822	495,950,821	- 27,767,999	- 5.60	241,864	240,773	+ 1,091	+ 0.45
1929	377,473,702	468,694,537	- 91,220,835	- 19.46	242,677	242,592	+ 85	+ 0.03
1930	288,239,790	377,499,123	- 89,259,333	- 23.65	242,639	242,319	+ 320	+ 0.13
1931	245,751,231	288,205,766	- 42,454,535	- 14.73	241,806	241,950	- 144	- 0.06
1932	248,057,612	245,760,336	+ 2,297,276	+ 0.93	240,338	240,950	- 612	- 0.25
1933	257,199,427	245,092,327	+ 12,107,100	+ 4.94	238,570	239,833	- 1,263	- 0.53
1934	295,880,873	257,201,455	+ 38,679,418	+ 15.04	237,074	238,346	- 1,272	- 0.53
1935	371,673,127	295,805,392	+ 75,867,735	+ 25.65	236,191	237,288	- 1,097	- 0.46
1936	299,827,815	371,494,494	- 71,666,679	- 19.29	235,052	235,431	- 379	- 0.16
1937	317,795,866	299,827,815	+ 17,968,051	+ 5.99	233,889	235,051	- 1,162	- 0.49
1938	344,500,498	317,740,628	+ 26,759,870	+ 8.43	233,169	233,843	- 674	- 0.29
1939	381,011,167	344,463,789	+ 36,547,378	+ 10.61	232,439	233,162	- 723	- 0.31
1940	479,573,554	381,156,620	+ 98,416,934	+ 25.82	231,911	232,492	- 581	- 0.25
1941	702,994,999	479,573,554	+ 223,421,445	+ 46.59	232,874	240,836	- 8,962	- 3.72

Month of December	Net Earnings			
	Year Given	Year Preceding	Increase (+) or Decrease (-)	%
1909	\$67,014,765	\$68,317,385	- \$1,302,620	- 1.91
1910	68,276,448	66,101,371	+ 2,175,077	+ 3.29
1911	61,225,377	56,776,970	+ 4,448,407	+ 7.83
1912	81,701,974	72,932,360	+ 8,769,614	+ 12.02
1913	68,800,026	62,622,271	+ 6,177,755	+ 9.86
1914	61,134,750	68,274,222	- 7,139,472	- 10.46
1915	105,878,758	61,186,558	+ 44,692,200	+ 73.04
1916	83,237,395	86,302,108	- 3,064,713	- 3.55
1917	85,715,727	103,520,028	- 17,804,301	- 17.20
1918	44,738,149	85,767,019	- 41,028,870	- 47.84
1919	38,536,432	44,919,752	- 6,383,320	- 14.21
1920	51,322,679	37,517,854	+ 13,804,825	+ 36.80
1921	67,849,188	44,250,090	+ 23,599,098	+ 53.33
1922	111,942,758	76,738,092	+ 35,204,666	+ 45.88
1923	106,248,158	106,687,310	- 439,152	- 0.41
1924	124,480,894	106,482,164	+ 17,998,730	+ 16.90
19				

### Trading On New York Exchanges

The Securities and Exchange Commission made public Feb. 26 figures showing the 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 Feb. 13, continuing a series of current figures being published weekly by the Commission. Short sales are shown separately from other sales in these figures.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended Feb. 13 (in round-lot transactions) totaled 1,688,815 shares, which amount was 14.18% of total transactions on the Exchange of 5,956,270 shares. This compares with member trading during the week ended Feb. 6 of 1,710,550 shares or 15.45% of total trading of 5,536,300 shares. On the New York Curb Exchange, member trading during the week ended Feb. 13 amounted to 267,065 shares, or 11.17% of the total volume of that Exchange of 1,195,065 shares; during the Feb. 6 week trading for the account of Curb members of 326,095 shares was 13.83% of total trading of 1,178,795 shares.

The Commission made available the following data for the week ended Feb. 13:

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.....	945	658
1. Reports showing transactions as specialists.....	172	91
2. Reports showing other transactions initiated on the floor.....	184	32
3. Reports showing other transactions initiated off the floor.....	210	83
4. Reports showing no transactions.....	482	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 FEBRUARY 13, 1943		
	Total for week	†Per Cent
<b>A. Total Round-Lot Sales:</b>		
Short sales.....	103,360	
†Other sales.....	5,852,910	
Total sales.....	5,956,270	
<b>B. Round-Lot Transactions for the Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:</b>		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases.....	374,180	
Short sales.....	43,620	
†Other sales.....	330,440	
Total sales.....	374,060	6.28
2. Other transactions initiated on the floor—		
Total purchases.....	335,320	
Short sales.....	16,100	
†Other sales.....	277,370	
Total sales.....	293,470	5.28
3. Other transactions initiated off the floor—		
Total purchases.....	168,805	
Short sales.....	20,020	
†Other sales.....	122,960	
Total sales.....	142,980	2.62
4. Total—		
Total purchases.....	878,305	
Short sales.....	79,740	
†Other sales.....	730,770	
Total sales.....	810,510	14.18

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

WEEK ENDED FEBRUARY 13, 1943		
	Total for week	†Per cent
<b>A. Total Round-Lot Sales:</b>		
Short sales.....	4,360	
†Other sales.....	1,190,705	
Total sales.....	1,195,065	
<b>B. Round-Lot Transactions for the Account of Members:</b>		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases.....	78,000	
Short sales.....	2,295	
†Other sales.....	84,070	
Total sales.....	86,365	6.88
2. Other transactions initiated on the floor—		
Total purchases.....	23,885	
Short sales.....	600	
†Other sales.....	23,600	
Total sales.....	24,200	2.01
3. Other transactions initiated off the floor—		
Total purchases.....	21,075	
Short sales.....	100	
†Other sales.....	33,440	
Total sales.....	33,540	2.28
4. Total—		
Total purchases.....	122,960	
Short sales.....	2,995	
†Other sales.....	141,110	
Total sales.....	144,105	11.17
<b>C. Odd-Lot Transactions for the Account of Specialists—</b>		
Customers' short sales.....	0	
†Customers' other sales.....	31,192	
Total purchases.....	31,192	
Total sales.....	22,402	

\*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."

### Wholesale Commodity Index Advanced 0.3% During Week Ended Feb. 20, Says Labor Bureau

The Bureau of Labor Statistics, U. S. Department of Labor, announced on Feb. 25 that further sharp advances in prices for agricultural commodities, particularly grains, livestock, eggs and vegetables, brought the Bureau's comprehensive index of prices in primary markets up 0.3% during the week ended Feb. 20. At 102.4% of the 1926 average the general level of prices is 0.7% higher than at this time last month and 6% above the February 21 level of a year ago.

The Bureau's announcement further said:

**"Farm Products and Foods"**—Following the recession of the preceding week, a marked increase occurred in the grain markets. Rye advanced 5.6%; oats, 4.7%; No. 2 corn, 3.5%; and wheat, 1.6%. Substantial gains were also reported in prices for livestock, ranging from about 0.7% for hogs to 3.4% for cows. Eggs were considerably higher in most markets during the week. In addition, prices went up for seeds, peanuts, tobacco, and potatoes. Citrus fruits declined seasonally. Average prices for farm products rose 1.2% during the week and are 2.4% higher than at this time last month.

"A small increase, 0.2%, was reported in average prices for foods in primary markets. Advancing prices for eggs, together with higher prices for the cereals—rye flour, oatmeal, and corn meal, and for fresh vegetables, and olive oil accounted for the rise. Quotations were lower for butter in most markets. In the past month prices for foods at wholesale have increased 1%.

"Wholesale prices for cattle feed were up 1.8% during the week as a result of higher prices for bran and middlings.

**"Industrial Commodities"**—There were few changes in prices for industrial commodities and those were for the most part upward. Higher labor and transportation costs were still being reflected in prices for coal. Fuel oil in the Pennsylvania region declined nearly 2%.

"Prices for linseed oil rose over 4% and turpentine was slightly higher. Rosin, on the contrary, continued to decline.

"An upward revision in ceiling prices for mixed fertilizers in certain areas brought the index for chemicals and allied products up 0.3%. Market prices for boxboard, which have been below the ceiling, have now reached ceiling levels for many grades."

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. Indexes marked (\*), however, must be considered as preliminary and subject to such adjustment and revision as required by later and more complete reports.

The following table shows index numbers for the principal groups of commodities for the past three weeks, for Jan. 23, 1943 and Feb. 21, 1942 and the percentage changes from a week ago, a month ago, and a year ago:

Commodity Groups—	(1926=100)			Percentage changes to		
	2-20 1943	2-13 1943	2-6 1943	2-21 1942	2-13 1942	2-21 1942
All commodities.....	102.4	102.1	102.0	101.7	96.5	+0.3
Farm products.....	120.0	118.6	118.2	117.2	101.9	+1.2
Foods.....	105.7	105.5	105.1	104.7	94.8	+0.2
Hides and leather products.....	118.4	118.4	118.4	116.1	0	+2.0
Textile products.....	96.8	96.8	96.8	93.7	0	+3.5
Fuel and lighting materials.....	80.5	80.4	80.4	80.1	78.5	+0.1
Metals and metal products.....	103.9	103.9	103.9	103.6	0	+0.3
Building materials.....	110.0	110.1	110.1	110.0	109.7	-0.1
Chemicals and allied products.....	100.3	100.0	99.5	99.5	96.9	+0.3
Housefurnishing goods.....	104.1	104.1	104.1	104.1	0	+0.5
Miscellaneous commodities.....	90.7	90.6	90.5	90.5	89.1	+0.1
Raw materials.....	109.8	108.9	108.6	108.0	97.2	+0.8
Semimanufactured articles.....	92.8	92.7	92.5	92.5	91.9	+0.1
Manufactured products.....	100.5	100.5	100.4	100.3	97.1	0
All commodities other than farm products.....	98.6	98.6	98.5	98.4	95.3	0
All commodities other than farm products and foods.....	96.4	96.4	96.4	96.3	94.8	0

\*Preliminary.

### Civil Engineering Construction \$54,646,000 For Holiday-Shortened Week

Civil engineering construction volume for the short week due to the Washington's Birthday holiday totals \$54,646,000. This volume is 80% below the total for the corresponding week in 1942, and compares with \$98,861,000 reported for a week ago by "Engineering News-Record" on Feb. 25. Private work tops a year ago by 17%, but public construction is 84% lower as both State and municipal volume and Federal work declined. The report went on to say:

The current week's construction brings 1943 volume to \$533,068,000, an average of \$66,634,000 for each of the eight weeks of the year. On the weekly average basis, this year's total is 53% below the \$1,263,603,000 for the nine weeks of last year. Private construction, \$52,059,000, is 51% lower than in 1942, and public work, \$481,009,000, is down 53%, when adjusted for the difference in the number of weeks reported.

Construction volumes for the 1942 week, last week and the current week are:

	Feb. 26, 1942 (four days)	Feb. 18, 1943 (five days)	Feb. 25, 1943 (four days)
Total Construction.....	\$266,622,000	\$98,861,000	\$54,646,000
Private Construction.....	13,004,000	5,386,000	15,203,000
Public Construction.....	253,618,000	93,475,000	39,443,000
State and Municipal.....	5,475,000	1,674,000	544,000
Federal.....	248,143,000	91,801,000	38,899,000

In the classified construction groups, gains over the preceding week are in waterworks, bridges, and industrial buildings. Industrial building is the only class of work to record an increase over the corresponding 1942 week. Subtotals for the week in each class of construction are: waterworks, \$494,000; sewerage, \$100,000; bridges, \$535,000; industrial buildings, \$13,180,000; commercial building and large-scale private housing, \$1,943,000; public buildings, \$20,938,000; earthwork and drainage, \$55,000; streets and roads, \$622,000, and unclassified construction, \$16,779,000.

New capital for construction purposes for the week totals \$872,000, and is made up entirely of State and municipal bond sales. New financing for the eight-week 1943 period, \$15,539,000, compares with \$1,372,463,000 reported for the nine weeks of 1942.

### NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Feb. 26 a summary for the week ended Feb. 20 of complete figures showing the daily volume of stock transactions for the odd-lot account of all odd-lot dealers and specialists who handle odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

#### STOCK TRANSACTIONS FOR THE ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON THE N. Y. STOCK EXCHANGE

Week Ended Feb. 20, 1943	
Odd-Lot Sales by Dealers— (Customers' Purchases)	Total for Week
Number of Orders.....	21,480
Number of Shares.....	606,994
Dollar Value.....	19,488,553

Odd-Lot Purchases by Dealers— (Customers' Sales)	
Number of Orders:	
Customers' short sales.....	151
Customers' other sales.....	19,384
Customers' total sales.....	19,535

Number of Shares:	
Customers' short sales.....	5,015
Customers' other sales.....	531,843
Customers' total sales.....	536,858
Dollar Value.....	15,412,842

Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales.....	260
Other sales.....	116,110
Total sales.....	116,370

Round-Lot Purchases by Dealers—	
Number of Shares.....	
	189,740

\*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."

### Chief Examiner At Detroit Reserve Branch

The appointment of A. L. Wilson as chief examiner at the Detroit Branch of the Federal Reserve Bank of Chicago was announced on Feb. 25 by C. S. Young, President of the Bank. Mr. Wilson will be in charge of the examination work throughout the lower peninsula of Michigan and will have offices at the Detroit Branch of the Federal Reserve Bank. He took over his new duties on March 1. The appointment of a resident examiner at Detroit, the bank says, is in line with the announced policy to build up the staff at Detroit in recognition of the important place which Michigan is taking in the banking activity of the Seventh Federal Reserve District. Regarding his activities the Reserve Bank says:

"Mr. Wilson started his banking career at Scottville, Mich., working his way up to Assistant Cashier. He left the bank in 1921 to take a position as assistant bank examiner for the State of Michigan. Later he was promoted to examiner and continued in that capacity until 1927, when he became an examiner for the Federal Reserve Bank of Chicago and had charge of their examinations of member banks in the State of Michigan. Later he was given the title of Acting Assistant Federal Reserve Agent.

"In recognition of his ability as a bank operating officer, he was selected to make surveys for the Comptroller of the Currency, and later was sent to Warsaw, Poland, to reorganize a large bank in that city. Upon his return to the United States he again became connected with the Federal Reserve Bank of Chicago and assisted in reorganization of banks in the State of Michigan, following the 'bank holiday.' He was loaned to the Federal Reserve Board in Washington in 1933 and 1934. Since that time he has been a senior examiner in the Seventh Federal Reserve District, devoting most of his time to banks in Michigan."

# Revenue Freight Car Loadings During Week Ended Feb. 20, 1943 Amounted To 752,449 Cars

Loading of revenue freight for the week ended Feb. 20, 1943 totaled 752,449 cars, the Association of American Railroads announced on Feb. 26. This was a decrease below the corresponding week of 1942, of 21,971 cars or 2.8%, but an increase above the same week in 1941, of 73,926 cars or 10.9%.

Loading of revenue freight for the week of Feb. 20, decreased 12,501 cars or 1.6% below the preceding week.

Miscellaneous freight loading totaled 356,964 cars a decrease of 6,864 cars below the preceding week, but an increase of 9,676 cars above the corresponding week in 1942.

Loading of merchandise less than carload lot freight totaled 90,308 cars, a decrease of 3,763 cars below the preceding week and a decrease of 59,704 cars below the corresponding week in 1942.

Coal loading amounted to 173,848 cars, a decrease of 4,599 cars below the preceding week, but an increase of 15,169 cars above the corresponding week in 1942.

Grain and grain products loading totaled 51,625 cars, an increase of 3,361 cars above the preceding week, and an increase of 15,538 cars above the corresponding week in 1942. In the Western Districts alone, grain and grain products loading for the week of Feb. 20 totaled 36,068 cars, an increase of 3,181 cars above the preceding week and an increase of 12,898 cars above the corresponding week in 1942.

Live stock loading amounted to 13,150 cars, an increase of 679 cars above the preceding week, and increase of 3,210 cars above the corresponding week in 1942. In the Western District alone, loading of live stock for the week of Feb. 20, totaled 9,715 cars, an increase of 882 cars above the preceding week, and an increase of 2,445 cars above the corresponding week in 1942.

Forest products loading totaled 41,160 cars, an increase of 2,917 cars above the preceding week but a decrease of 3,732 cars below the corresponding week in 1942.

Ore loading amounted to 11,102 cars, a decrease of 2,923 cars below the preceding week and a decrease of 1,930 cars below the corresponding week in 1942.

Coke loading amounted to 14,292 cars, a decrease of 1,309 cars below the preceding week, and a decrease of 198 cars below the corresponding week in 1942.

All districts reported decreases compared with the corresponding week in 1942, except the Pocahontas Southern, Central Western, and Southwestern, but all districts reported increases above the corresponding week in 1941 except the Eastern.

	1943	1942	1941
5 weeks of January	3,530,849	3,658,479	3,454,409
Week of Feb. 6	755,386	783,962	710,196
Week of Feb. 13	764,950	782,701	721,176
Week of Feb. 20	752,449	774,420	678,523
Total	5,803,634	6,199,562	5,564,304

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Feb. 20, 1943. During this period only 51 roads showed increases when compared with the corresponding week last year.

Railroads	Total Revenue Freight Loaded		Total Loads Received from Connections	
	1943	1942	1943	1942
<b>Eastern District—</b>				
Ann Arbor	258	611	463	1,380
Bangor & Aroostock	2,336	2,135	1,788	110
Boston & Maine	5,178	8,488	7,537	12,605
Chicago, Indianapolis & Louisville	1,297	1,373	1,327	2,024
Central Indiana	45	24	0	52
Central Vermont	795	1,364	1,112	1,497
Delaware & Hudson	5,749	6,491	5,063	10,395
Delaware, Lackawanna & Western	7,190	8,947	8,000	10,819
Detroit & Mackinac	202	290	237	116
Detroit, Toledo & Ironton	1,911	2,088	3,036	2,632
Detroit & Toledo Shore Line	269	328	384	3,539
Erie	11,276	13,989	12,337	18,812
Grand Trunk Western	3,554	4,610	5,962	8,343
Lehigh & Hudson River	150	179	160	3,048
Lehigh & New England	1,602	1,740	1,244	1,607
Lehigh Valley	7,065	9,263	8,331	12,561
Maine Central	2,291	3,463	3,463	3,605
Monongahela	6,274	6,096	5,005	364
Montour	2,521	1,830	2,035	24
New York Central Lines	42,555	45,228	43,160	56,077
N. Y., N. H. & Hartford	8,257	12,591	10,136	16,242
New York, Ontario & Western	789	1,050	1,036	2,231
New York, Chicago & St. Louis	6,757	6,897	4,907	15,618
N. Y., Susquehanna & Western	451	539	441	1,923
Pittsburgh & Lake Erie	7,284	8,210	7,551	6,938
Pere Marquette	4,479	4,780	5,852	7,711
Pittsburgh & Shawmut	633	557	508	13
Pittsburgh, Shawmut & North	320	368	422	243
Pittsburgh & West Virginia	856	691	920	4,002
Rutland	288	520	537	620
Wabash	5,775	5,773	5,414	12,890
Wheeling & Lake Erie	4,646	4,563	4,257	6,128
<b>Total</b>	<b>143,054</b>	<b>165,006</b>	<b>152,634</b>	<b>224,188</b>
<b>Allegheny District—</b>				
Akron, Canton & Youngstown	665	623	532	1,185
Baltimore & Ohio	36,381	40,014	32,250	26,912
Bessemer & Lake Erie	2,246	3,190	3,063	1,599
Buffalo Creek & Gauley	226	340	292	5
Camden & Indiana	1,905	1,923	1,792	7
Central R. R. of New Jersey	5,901	7,885	6,249	19,299
Cornwall	264	628	590	75
Cumberland & Pennsylvania	328	303	310	12
Ligonier Valley	110	125	156	45
Long Island	860	839	552	3,402
Penn.-Reading Seashore Lines	1,495	1,798	1,212	2,380
Pennsylvania System	69,740	76,837	67,238	58,941
Reading Co.	12,737	15,937	14,605	28,319
Union (Pittsburgh)	19,971	20,260	19,845	3,713
Western Maryland	3,751	3,892	3,565	13,835
<b>Total</b>	<b>156,582</b>	<b>174,593</b>	<b>151,951</b>	<b>159,729</b>
<b>Pocahontas District—</b>				
Chesapeake & Ohio	28,182	23,568	23,030	10,848
Norfolk & Western	22,000	21,485	22,319	7,874
Virginian	4,477	3,825	4,640	2,121
<b>Total</b>	<b>54,659</b>	<b>48,878</b>	<b>49,989</b>	<b>20,843</b>

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
<b>Southern District—</b>					
Alabama, Tennessee & Northern	1047	343	292	336	320
Atl. & W. P.—W. R. of Ala.	765	824	812	2,419	2,105
Atlanta, Birmingham & Coast	637	752	707	1,624	1,180
Atlantic Coast Line	14,694	12,193	11,311	11,114	7,850
Central of Georgia	4,196	4,357	4,387	4,519	3,749
Charleston & Western Carolina	468	395	437	1,623	1,676
Clinchfield	1,740	1,692	1,605	2,868	2,863
Columbus & Greenville	388	260	2,999	245	338
Durham & Southern	100	165	160	486	440
Florida East Coast	2,969	1,352	1,079	1,563	1,158
Gainesville Midland	40	37	36	111	111
Georgia	1,408	1,483	1,147	2,776	2,276
Georgia & Florida	377	384	326	511	633
Gulf, Mobile & Ohio	3,850	4,106	3,533	5,843	3,400
Illinois Central System	27,770	27,615	22,207	18,392	14,377
Louisville & Nashville	24,960	24,584	24,326	10,886	8,929
Macon, Dublin & Savannah	167	164	203	865	679
Mississippi Central	218	172	155	364	469
Nashville, Chattanooga & St. L.	3,180	3,174	2,949	4,860	3,467
Norfolk Southern	1,102	1,098	1,167	1,428	1,248
Piedmont Northern	357	505	417	1,078	1,452
Richmond, Fred. & Potomac	314	445	369	9,912	8,791
Seaboard Air Line	10,228	9,783	8,596	9,493	7,628
Southern System	21,731	24,090	23,719	23,351	21,452
Tennessee Central	457	630	469	844	802
Winston-Salem Southbound	106	138	156	1,009	846
<b>Total</b>	<b>122,563</b>	<b>120,761</b>	<b>110,864</b>	<b>118,520</b>	<b>98,182</b>
<b>Northwestern District—</b>					
Chicago & North Western	15,076	16,596	13,836	12,374	13,048
Chicago Great Western	2,526	2,745	2,212	3,065	3,007
Chicago, Milw., St. P. & Pac.	22,418	23,440	18,643	12,471	10,903
Chicago, St. Paul, Minn. & Omaha	3,618	4,289	3,665	3,542	3,731
Duluth, Missabe & Iron Range	1,326	1,228	880	288	411
Duluth, South Shore & Atlantic	475	790	505	496	516
Elgin, Joliet & Eastern	9,157	9,716	7,325	10,209	10,211
Ft. Dodge, Des Moines & South	435	529	318	115	134
Great Northern	10,618	11,122	7,539	4,958	4,218
Green Bay & Western	473	578	534	856	837
Lake Superior & Ishpeming	253	349	203	85	63
Minneapolis & St. Louis	2,149	2,161	1,403	2,089	2,358
Minn., St. Paul & S. S. M.	4,652	5,549	4,071	2,872	3,391
Northern Pacific	8,479	10,399	7,391	4,988	4,444
Spokane International	72	102	77	576	241
Spokane, Portland & Seattle	1,756	2,638	1,668	2,925	2,337
<b>Total</b>	<b>83,481</b>	<b>92,331</b>	<b>70,290</b>	<b>61,919</b>	<b>59,851</b>
<b>Central Western District—</b>					
Ach., Top. & Santa Fe System	21,659	20,877	17,031	11,496	8,251
Alton	2,833	3,237	2,861	4,476	3,087
Bingham & Garfield	484	422	504	98	77
Chicago, Burlington & Quincy	18,529	16,403	13,530	11,593	10,477
Chicago, Burlington & Quincy	3,173	3,111	2,331	1,016	720
Chicago, Rock Island & Pacific	12,508	11,798	9,691	14,055	11,231
Chicago & Eastern Illinois	2,466	2,879	2,906	6,126	2,999
Colorado & Southern	826	802	689	1,918	1,531
Denver & Rio Grande Western	4,319	3,270	2,450	5,571	4,231
Denver & Salt Lake	1,291	576	568	9	1
Fort Worth & Denver City	829	1,178	914	1,525	1,422
Illinois Terminal	1,583	2,067	1,790	1,654	1,631
Missouri-Illinois	809	1,228	629	471	835
Nevada Northern	1,806	1,916	1,835	126	142
North Western Pacific	27	13	15	737	407
Peoria & Pekin Union	27	13	15	0	0
Southern Pacific (Pacific)	27,454	27,266	21,373	13,135	9,094
Toledo, Peoria & Western	268	271	378	1,723	998
Union Pacific System	13,750	14,040	12,432	13,144	10,642
Utah	609	500	367	2	2
Western Pacific	2,070	1,703	1,209	2,742	2,731
<b>Total</b>	<b>118,216</b>	<b>114,448</b>	<b>94,113</b>	<b>91,617</b>	<b>70,597</b>
<b>Southwestern District—</b>					
Burlington-Rock Island	687	201	130	259	377
Gulf Coast Lines	6,518	4,213	4,056	2,662	2,404
International-Great Northern	2,871	2,098	1,674	3,684	2,522
Kansas, Oklahoma & Gulf	297	356	202	1,265	1,017
Kansas City Southern	5,450	3,588	2,406	2,897	2,629
Louisiana & Arkansas	3,510	2,506	2,181	2,562	2,430
Litchfield & Madison	309	373	339	1,185	1,161
Midland Valley	618	640	567	264	217
Missouri & Arkansas	171	202	92	599	50
Missouri-Kansas-Texas Lines	6,027	4,583	3,628	6,553	4,112
Missouri Pacific	16,967	16,243	13,217	19,149	14,155
Quannan Acme & Pacific	108	94	99	299	167
St. Louis-San Francisco	9,568	8,547	7,027	9,565	6,391
St. Louis Southwestern	3,069	3,253	2,490	6,277	4,867
Texas & New Orleans	13,054	7,542	7,278	5,477	4,956
Texas & Pacific	4,549	3,837	3,159	8,275	6,759
Wichita Falls & Southern	104	113	125	28	37
Weatherford M. W. & N. W.	17	14	12	95	14
<b>Total</b>	<b>73,894</b>	<b>58,403</b>	<b>48,682</b>	<b>71,095</b>	<b>54,695</b>

\*Previous week's figures.  
Note—Previous year's figures revised.

## 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
1942—Week Ended—					
Dec. 5	150,132	130,761	340,203	82	85
Dec. 12	151,085	137,856	350,011	84	85
Dec. 19					

### Items About Banks, Trust Companies

Swiss Bank Corporation New York Agency has received notice that at the 71st annual meeting held in Basle, Switzerland, attended by shareholders of Swiss Bank Corporation representing 145,692 shares, approval was given the 4% dividend, and the yearly accounts, including a balance of 3,475,180 Swiss francs to be brought forward were also approved. This compares with 3,255,965 Swiss francs for 1941. The following members were re-elected to the Board for a period of six years: Dr. Max Staehelin, Fritz Baumgartner, Dr. Ernest Duebi, Maurice Golay, Ernest Homberger, Louis Vaucher and Charles Zahn-Sarasin. Prof. Dr. Charles J. Burckhardt of Geneva, was elected as a new member to the Board.

The meeting also confirmed the re-election of all the members of the Board of Control for a period of three years, namely, Edouard Aymonier, Paul Buchet, Henri Chessex-Kuersteiner, Wilhelm Christ-Legler, Fritz Hetzel, Max Scherrer, Dr. Hans Schuler and C. Steuer-Gutzwiller.

Frederick V. Goess, President of the Prudential Savings Bank, Brooklyn, N. Y., and receiver of the Harriman National Bank & Trust Co., announces that he is making payment of the final dividend of 3.04% to creditors of the defunct bank. All creditors who do not receive notice from him by May 15 are requested to communicate with the receiver's office, 100 Park Row, New York City.

Edward L. Fuller of Scranton, Pa., President of International Salt Co. of that city, has been made a Director of the Marine Midland Trust Co., of New York it was announced on March 2. Mr. Fuller, a graduate of Princeton in 1927 is also a Director of the Genesee & Wyoming RR.; Empire Limestone; First National Bank; Scranton Lackawanna Trust Co.; Scranton Life Insurance Co., and the Sprague Henwood Co. He was made President of the International Salt Co. in September, 1931.

Frank E. Andruss, Assistant Vice-President of The Continental Bank & Trust Co. of New York, who had been in charge of the Madison Avenue branch of the bank until he was taken ill about a year ago, died on March 1 at his home in Bronxville, N. Y. Mr. Andruss, who had been associated with banks in New York for about 30 years, with the exception of two years he spent in the brokerage business, was well known in the financial district. He started with the old Atlantic National Bank in 1912, remaining there until it was taken over by the Bank of America of which he became a Vice-President. In 1929 he went with the private banking house of Knutze Brothers as a partner. Three years later he became associated with the New York Stock Exchange firm of Snecker & Heath. In 1934 he went to The Continental Bank & Trust Co. as an Assistant Vice President and was placed in charge of the branch at 345 Madison Avenue.

Walter C. Jones has been elected to his 40th term as Vice-President and Treasurer of the City Savings Bank, Middletown, Conn. Mr. Jones has held the bank post since the opening of the bank 40 years ago.

The Peoples-Pittsburgh Trust Co., of Pittsburgh, Pa., continuing its policy of informing employees as to management's plans and policies, has released, over the signatures of Louis H. Gethoefer, Chairman, and Gwilym A. Price, President, its third annual report to employees. Peoples-Pittsburgh was among the first banking in-

stitutions, it is stated, to publish such a report. Dedicated to the men and women employees now in the armed forces, the report stresses the manifold relationships of the bank and its personnel to the war effort. It is also stated that:

"More than one-fifth of the bank's male staff are already in uniform, and those remaining are strongly encouraged by the management to continue their participation in civilian activities. In the matter of war production loans, in which Peoples-Pittsburgh has been active, employees are urged to look behind the figures on the books and realize that banks are 'an essential factor' in the production of the tools of victory."

"The first year of Peoples-Pittsburgh's profit-sharing plan resulted, the report states, in an average increase of 9% in monthly salaries of all employees receiving \$250 or less. The bank has also installed job evaluation and merit rating plans as a basis for the determination of all salaries, promotions and transfers. Neither these procedures nor the profit-sharing plan served to restrict promotions or salary increases," the report says. "On the contrary, there has been enhanced opportunity for advancement as employees demonstrated fitness for greater responsibilities."

"The bank's pension plan was further liberalized during the year, with company contributions amounting to more than four times those of employees. A group insurance plan also is maintained."

The report covers in detail the bank's operations and their results during the year; included, it is announced, are facts as to the increase in deposits to an all-time high, the company's lending services to more than 26,000 corporations and individuals, the strengthening of the bank's financial structure, the expansion of its branch system, and the 100% activity of its employees in obtaining new business.

It is announced that at the request of the War Department and the United States Treasury Department, the Bank of America is establishing banking facilities at numerous U. S. Army posts and training centers in California. Such banking facilities at the posts and camps, it was stated, will not only provide a service of great convenience to Army officers for Army business, but also will be of considerable help to officers and enlisted men who have personal financial responsibilities to provide for. Banking facilities have already been put in operation at Camp Beal, McClelland Field, Mather Field, Camp Kohler and Camp Callan, and in preparation are similar facilities at Arlington Staging Area, Camp Cook, Stockton Ordnance Depot, Camp Stoneman, Camp McQuade, Camp San Luis Obispo, Fort Rosecranz, Camp Lockett and Fort Mason.

In addition, Bank of America has in operation fully equipped branch banks at Hamilton Field and Camp Roberts. The new military banking facilities will be operated by Bank of America on a non-profit basis.

Paul S. Dick, President of the United States National Bank at Portland, Oregon, announces the inauguration of longer banking hours at its Portland head office bank to relieve banking congestion resulting from the great influx of shipbuilders and other war workers in that area. Beginning March 1st, banking hours were fixed from 10 a.m. to 6 p.m. through the week from Monday to Friday, inclusive, and from 10 a.m. to 3 p.m. on Saturdays. It is

announced that while the United States National Bank operates five complete units in Portland, the extended banking hours are to be put into effect at this time only at its central downtown bank.

Other extension of service announced by the bank is the establishment, under authorization by the United States Treasury Department, of banking agencies at two of the larger army posts in Oregon, namely: Fort Stevens, near the mouth of the Columbia River, and at Camp Adair, near Corvallis.

### Cleveland Reserve On Eastern War Time; Time Zones Vary

The Federal Reserve Bank of Cleveland announced on Feb. 20 that until further notice its main office in Cleveland and its branch at Cincinnati, Ohio, will operate on Eastern War Time. A similar decision has been made by banks which are members of the Cleveland Clearing House Association, says the Reserve Bank, which in its announcement stated:

"The decision to continue to operate the bank on Eastern War Time is based largely upon the following considerations:

"1. War Time is in general use throughout the country.

"2. That it is desirable that this bank maintain the same hours as those of other Federals with which it does a large volume of business.

"3. That the area served by this bank covers portions of three other States which are not affected by the time change in Ohio.

"4. That more than 500 Fourth District banks with which we do business daily are located outside the State of Ohio and operate on War Time schedules.

"5. That many of our operations are geared to railroad schedules, and the railroads will continue to operate on Eastern War Time."

The decision of the Reserve Bank to adhere to Eastern War Time followed the signing of a bill on Feb. 17 passed by the Ohio Legislature setting the clocks back one hour in the State, changing them from Eastern War Time to Eastern Standard Time.

Recently the Georgia Legislature acted to change the time in the State from Eastern War Time to Central War Time, thus putting the clocks back one hour. The bill, signed by Gov. Arnall, provides, said the Associated Press, that the State will revert to Eastern Standard Time six months after the war—the date when congressionally-established "War Time" for the nation expires.

Under date of Feb. 15 Detroit advises to the New York "Times" stated: "Michigan today represented a kaleidoscopic pattern of time as part of the State's communities turned back their clocks an hour and the remainder, at least for the time being, stayed on Eastern War Time.

"The time change became official at 2 A. M. when a State legislative bill authorizing the return to slow time became effective. The confusion, however, resulted from the fact that the act contained a local option provision. As a result most of the larger population cities in Eastern Michigan elected to remain on fast time while the rural areas turned back an hour to Central War Time."

Earlier in the month, on Feb. 3, Donald M. Nelson, Chairman of the War Production Board, stated that any change in the present War Time, or Daylight Saving, statute "would result in serious detriment to war production," and that enactment of State legislation to change War Time "would have the same detrimental effect." The Associated Press at that time reported from Washington: "Mr. Nelson outlined his position in letters to Senator Ferguson (Rep.,

Mich.) and the Speaker of the Ohio House of Representatives.

Michigan has a new legislative Act which places the entire State on Central War Time and permits municipalities to remain on Eastern Time if they desire. Ohio likewise has a bill pending to move clocks back one hour, and last week Georgia moved from Eastern War Time to Central War Time.

"I fully realize that War Time has caused great inconvenience to farmers and to some States has worked great hardships," Mr. Nelson said. "Nevertheless, I feel that to abandon War Time would result in confusion and would bring about an increase in power requirements."

He said the War Time statute, which moved up clocks throughout the country one hour, resulted in a year's saving in electrical generating capacity of more than 1,000,000 kilowatts.

### Guilbert Urges Action To Protect Food Army In 'Hazardous' Venture

A warning that immediate steps must be taken to guard the safety of the three million young men and women from cities who will move into farm areas this summer to help win America's critical food battle, was given on Feb. 20 at Peoria, Ill. by Harry Guilbert, safety director of The Pullman Company. Speaking before a farmers' cooperation association representing 40 central Illinois counties, he declared that "these high school and college students, most of them 14 to 18 years old and inexperienced in the ways of the farm, will be stepping into one of the country's most hazardous occupations." Mr. Guilbert, who is also midwest director of the National Committee for the Conservation of Manpower in War Industry, said that preparations are already being made by Government agencies and farm associations to give the "recruits" preliminary training, but he urged that proper safety educational measures be included as an essential part of this conditioning, asserting that the hazards can be eliminated with proper precautions and the vigorous cooperation of the farmer with the safety program. He stated that the occupational fatality rate on the nation's farms is much higher than industry as a whole estimating it to be more than twice as high as in manufacturing. Farmers lost 37 million days in 1941 because of accidents, he said. He blamed apathy on the part of workers and employers alike for the soaring accident rate which is "sabotaging all U. S. war production, in agriculture as well as manufacturing," and cited the fact that Pullman shops worked over 7,000,000 man-hours during 1942 with a perfect safety record as proof that "industrial accidents can be wiped out almost completely if scrupulous precautions are taken."

### To Restore Civil Rule To Hawaii Government

An agreement providing for substantial restoration of control of civilian functions to the territorial government in Hawaii has been concluded between the War, Interior and Justice Departments and the Territorial Governor.

Under proclamations issued by Lieut. Gen. Delos C. Emmons, commanding officer of the Hawaiian department and military Governor of Hawaii, and Ingram Stainback, Territorial Governor, to become effective March 10, the military rule, which has been in effect since Dec. 7, 1941, is drastically modified.

However, the state of martial law remains in effect and the privilege of the writ of habeas corpus remains suspended.

Under the proclamations, the

following 18 functions are restored to civilian authorities, according to Associated Press Honolulu advices:

1. Control of prices. 2. Rationing of commodities among civilians. 3. Control of hospitals, medical personnel and medical supplies. 4. Food production and distribution. 5. Control of rents.

6. Control of transportation and traffic by land except that General Emmons may prescribe rules of traffic for blackout hours. 7. Public health, sanitation and prevention of disease among civilians. 8. Licensing and regulation of hours of business. 9. Judicial proceedings, criminal and civil, except any involving members of the armed forces. 10. Control of imports of civilians within the tonnage allotments made by the commanding general.

11. Censorship of mail from civilians in the territory. 12. Control of liquor and narcotics. 13. Schools and children. 14. Custody and disposition of garbage and waste. 16. Banking, currency and securities but provided that the commanding general may prescribe measures to prevent the enemy's obtaining or realizing upon them.

17. Civilian defense activities except the Civilian Defense Corps. 18. Control of the supply of employment and hours, wages and working conditions of labor except employees of the United States under the War Department or workers on construction of other projects under the War Department or Navy, or stevedores and other workers on docks or dock facilities, and employees of public utilities.

Plans to ease military rule in Hawaii were noted in these columns Jan. 28, page 381.

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