

The Commercial and FINANCIAL CHRONICLE

Reg. U. S. Pat. Office

Volume 157 Number 4158

New York, N. Y., Thursday, March 11, 1943

Price 60 Cents a Copy

THE FINANCIAL SITUATION

It now seems almost incredible that only a few months ago high authorities at Washington were assuring the American people that, apart from a few special and not very important articles, there would be no food shortage in this country during this war. Yet such is the fact. We should be obliged, so they said at that time, to do without many things which we in our luxurious living had grown to regard as almost necessities of life, but of the basic foods we were assured of ample supplies. In such a belief, apparently, the powers that be proceeded to take many hundreds of thousands of men from the farms and send them to the armed forces, to divert materials and manufacturing facilities from the production of essential farm implements to armament and plants in which to make armament, and to permit, nay, even encourage, a migration from the land to the factories where earnings were increasing steadily and rapidly.

A Slow Awakening

And then as one item of food after another grew scarce, rationing was initiated—still apparently without any realization that supplies were or were likely shortly to be inadequate to real needs. Later slowly dawning realization of the existence of a seriously threatening food situation found officialdom wholly unprepared to grapple with the fundamentals of the situation. Popular understanding of what was ahead came slowly in light of the many public assurances of ample supplies. It was only when the annoyances and inconveniences of rationing developed, coupled with utter inability to find supplies in the ordinary market places, that the public was really aroused and began to exert pressure upon Washington officials through Congress and otherwise. One grudging concession after another has followed which still leaves the situation in a highly unsatisfactory, not to say, dangerous state.

The Cold Fact

The cold, hard fact is that with average weather conditions during the coming crop season we may well find ourselves before the year is out in a far worse plight for food of the ordinary kind than we have been in the memory of living man—and this even if the channels of distribution are kept reasonably well open, as they are not at present. The authorities have in typical New Deal style set—and later revised—food production "goals" for the year. These require something like a 10% increase in the production of livestock products, and considerable change in the relative size of a number of field and truck crops, but no increase in total acreage devoted to crops is provided since even the planners

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"Fears That Haunt Us"

"Sure of military victory though this Congress is, we are not complacent about the war effort. Indeed, we are very much perturbed. For while we feel that our cause is safe on the battlefronts, we are deeply alarmed by the many disquieting and even explosive circumstances that face us on the home front.

"Foremost among the fears that haunt us are these: That the conflict between the military program and the farm program may cause serious, if not disastrous, food shortages; that the aggravating muddling of the Manpower Commission, which does not seem to have yet done the elementary arithmetic of finding out how many men and women are needed by whom and for what, and where they can be got, may lead to a calamitous cramping of war industry; that the protracted wrangling and vacillating authority in the War Production Board may yet take its toll on the battlefield.

"And in all frankness let me say that to us in Congress has been transferred, as if by swift contagion, the people's long-delayed fury against the swollen and wasteful Washington bureaucracies that have burgeoned through the years."—Clare Boothe Luce to the President.

These same fears haunt many of us, and in the final analysis only the President is in a position to take effective action.

Problem Of Post-War Employment Of Utmost Urgency, With Burden On Industry: Hoffman

Declaring that "if our free society is to be maintained, productive jobs—millions of them—must be made available in the shortest possible space of time after hostilities cease," Paul G. Hoffman, Chairman of the Committee for Economic Development, pointed out on March 4 that "the burden of providing those jobs will rest largely upon private industry." Mr. Hoffman observed in his address that "the most ambitious program of



Paul G. Hoffman

public works can care for only a small percentage of those who will need jobs." He added that "as businessmen, I suggest that we attempt to measure the task of employment which will confront this nation when peace comes. As we review the problems which have been incident to our transition from a war economy and appraise the even greater problems we shall face when this process is reversed, I think it will become clear that we must start working now on a vigorous post-war job program." Mr. Hoffman, who is

President of the Studebaker Corp., made these remarks in addressing the monthly meeting in New York of the Chamber of Commerce of the State of New York, at which time he spoke under the caption "The Key to the Maintenance of Freedom." Incidentally he discussed "the plans and programs of our very young organization—the Committee for Economic Development." While noting in his address that many have "expressed the view that perhaps we had best win the war first and then start talking about and planning to win the peace," Mr. Hoffman said that "that is a very plausible proposal, one that we could all support, if it could be made to work." He went on to say:

"Every American is determined that winning the war shall come first. Winning the war must have a triple-A priority. That shouldn't even need saying. But it is my studied opinion that if we defer winning the peace until after we have won the war, we may lose the peace. Perhaps it will be well to specify what I mean by 'winning the peace.' That phrase has different meanings to different people. But most of us might agree that in so far as the United States is concerned, winning the peace must—as a minimum requirement—include the continued

protection of the Bill of Rights for us as individuals . . . and relative freedom from regimentation for us as business men and workers.

"Stated conversely, practically all of us will agree that the peace most certainly will have been lost, if—in the post-war period—our free society is supplanted by a regime of regimentation."

Mr. Hoffman made the statement that "that can happen—and probably will happen—if we have too much unemployment for too long after peace comes. It is lack of jobs on a large scale that gives the dictators their opportunity. Mussolini would never have had a chance in Italy if it hadn't been for unemployment. Hitler's brown-shirted ruffians were recruited from among the youthful unemployed."

According to Mr. Hoffman, civilian employment will have to be found for 56,000,000 people in the post-war period. In his remarks with reference thereto he had the following to say:

"In 1940, our last peacetime year, approximately 46,000,000 people were gainfully employed in the United States—less than 600,000 of them were serving either in the armed forces or working in armament production. From an employment standpoint, the situation was not satisfactory. Approximately 9,000,000 competent workers were unemployed.

"By the end of this war year of 1943, it is estimated, more than 64,000,000 people will be employed (Continued on page 925)

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From Washington Ahead Of The News

By CARLISLE BARGERON

In the more or less hysterical state which the war has brought to Washington, the likely greeting of two fellows meeting one another these days is: "Do you think Roosevelt is going to run for a fourth term?"

In this vein we approached a New Dealer friend the other day, a fellow noted for his brilliant repartee as all New Dealers are.

"Is your chief going to run for a fourth term?" we asked, intending to be provocative.

"Let me tell you something," he replied. "At the age of 85, just like George Norris, he will be limping away from Washington on crutches, complaining that the American people have repudiated virtue."

The effect of the November elections, reflected in Congress going on the warpath in an effort to reassert its influence, the rise of Jimmy Byrnes in the country's domestic affairs, the appointment of Prentiss Brown in the place of Leon Henderson as head of OPA, et cetera, has spread to at least one place in the Department of Agriculture. Lyle Watts, who recently succeeded to the directorship of forestry, called industry representatives together and announced that there would be no more high-handed administration of the agency, that his

desire was to work with industry, not against it.

Prentiss Brown is showing every evidence of this disposition, a disposition to work with the people generally instead of against them, but not being a strong executive, he is having an awful time getting rid of the pinkish intellectuals who have been running the OPA. Early in his administration he confided in friends that one of his first undertakings would be to get rid of Dave Ginsburg and his crowd. Asked a few days ago when he intended to do it, he threw up his hands and exclaimed: "Try it, try it."

It seems that these fellows have so wrapped themselves into the whole framework on which the OPA rests, that to tear them out would cause no end of confusion. These gentlemen have been writing the OPA laws ever since the establishment was set up. And

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Lend-Lease Regarded As Vital To Victory

The House Foreign Affairs Committee, in its formal report recommending a one-year extension of the Lend-Lease Act, declared on Feb. 27 that lend-lease has operated with "brilliant effectiveness" as "an essential part of our mechanism for waging war" and "will prove a vital factor in the inevitable victory of the United States and the United Nations."

The Committee reviewed the part which lend-lease has contributed to the cause of the United Nations and wrote in the report that it is "imperative that the United States provide China with all aid that can possibly be supplied."

The House group also went on record as being "of the opinion that a lend-lease settlement which will not burden commerce cannot be based solely upon payment in gold or in goods." The report also said:

"This conclusion seems apparent in the light of the history of the war debts problem during the '20s and of the purpose of Congress in passing the Lend-Lease Act in its present form, rather than providing for a loan or series of loans.

"... the results of that experiment are known to all. The method of settlement by repayment in gold or in goods has in the past proved self-defeating and destructive, and would after this war seriously interfere with the achievement of the conditions of world economic order on which the prosperity of this country largely depends."

The Committee further emphasized that lend-lease was a two-way proposition, operating in reverse to bring benefits to American troops and some material to this nation's factories.

"Under lend-lease in reverse," the report said, "the other United Nations are in turn making available a constantly growing amount of aid to the armed forces of the United States. The spirit of co-operation evidenced by the Lend-Lease Act has been reciprocated in full by the countries providing aid to the United States."

The report disclosed that China so far has received \$156,738,000 worth of lend-lease aid but that the Committee "has been assured that measures are being undertaken to improve the transportation system and make possible increased aid to China."

Aid to other countries was reported as follows: Great Britain, as of Dec. 31, 1942, had received \$3,959,950,000 worth; Soviet Russia, \$1,532,230,000; the Middle and Far East and other regions, not including China, \$2,393,193,000.

The report praised lend-lease as a means of preparing "the way for sound and durable international arrangements in the peace" and rebuked those who would demand guarantees of post-war use by the United States of foreign air bases built with lend-lease funds.

Problems of air rights generally, the Committee said, "can be taken up only as the general development of our foreign policy permits."

In answer to demands from members of the Committee, chiefly on the Republican side of the table, that lend-lease be used now to secure post-war economic benefits, the report had this to say, according to Associated Press:

"In the field of security and political relationships there is a vast and complicated area which involves considerations going far beyond the Lend-Lease Act alone.

"The problem of air and naval bases as they bear on the security of the United States, to take one example, or of air rights generally, are problems which in their ramifications can be taken up only as the general development of our policy permits."

Post-War Trade With Latin America

Editor's Note—This article was contributed to "The Chronicle" by Allen R. Edwards who informs us that he "has spent most of his life in the foreign field as boy, Army officer, business executive, and Government representative; many years in Buenos Aires, Brazil, and Chile, as Manager for Allied Chemical and Dye Corporation, and has just returned from Ecuador where, under the Office of Inter American Affairs, he was Director of the American Technical Mission to that country."

The industrialists of the leading South American Republics are slowly gaining a balance of power between Conservative landowners and Radical groups.

The fundamental issue between these factions is that of immigration; the industrialists want more domestic consumers while the Conservatives know that nine out of every ten new arrivals are Radical, consequently the Conservatives fear loss of political power resulting in a break-up of great landed estates.

Consent to more liberal South American immigration laws in the post-war period is bound to win out, the Radicals and the industrialists demand it, the Church a pillar of Conservative strength is swinging over, and behind the liberal viewpoint is the approval of our own Government.

Immigration Means Hidden Flight of North American Capital

The partial lifting of bans on immigration will be coupled with a simple, yet fool proof method of extracting vast sums from the United States. Immigrants according to labor, trade, or professional classifications, will be required to produce the equivalent of \$1,000 to \$5,000 U. S. for entry. South American politicians probably estimate correctly that hundreds of thousands, if not millions, of first to third generation American citizens, descended from various European racial groups will dig up the funds to give relatives their only chance in the New World, for despite our desire to find Utopia for everyone else, North American immigration will be solidly blocked by labor in the face of unemployment.

This hidden flight of American capital and buying power will be highly gratifying to those in our own land who desire the rapid rehabilitation of conquered or backward countries. Expanding European markets in South America with money that Congress does not have to appropriate, and that tax-payers never see, is a more subtle approach than asking funds for the rehabilitation of business competitors.

Huge grants for rehabilitation in Europe, cloaked as emergency relief, will undoubtedly be asked for and secured in the first years of peace, it is the American Way. It cannot continue once our noble flight into the realm of idealism is satiated in a stomach-ache of inflation and taxation, but the hidden flight of capital to South America can not be stopped.

Neglected Contacts Mean Future Trade Defeat

Not only will population increase rapidly in South America, but the standard of living for the masses will improve with huge jumps in export and buying power. European cartels, still ably represented today, will return as powerful factors in the South American market, England will hang on grimly and intelligently to her pre-war share. Her maintenance of contacts, experimental shipments, and ground work today completely over shadow our own. The American manufacturer must alter his attitude of delay and be prepared to promptly take a fair percentage of this rapidly expanding market. He will need it to absorb a certain percent of his economical production. To delay preparatory work in the field until the end of the war means that competition will be shipping when he is beginning to knock at doors that have been closed to him.

We will have great advantages in the future, capital, banking facilities, the power to force equitable exchange, a merchant marine, air transport, shorter hauls, faster mail, and factories and railways at home in full operation to put out finished goods or to absorb raw materials; in fact, we will have all the advantages except the driving force of immediate necessity plus the contacts and good will which we are steadily neglecting.

Our business effort in South America will be like a magnificently equipped, but green army operating in a strange terrain, unaided by local contacts, uninformed from advance penetration; we have seen what prices such Armies pay.

The cause of future international peace demands that we look for no sweeping trade victories. That cause will have vigorous champions in our post-war Government.

Domestic tranquility makes it imperative that we guard against sweeping foreign trade defeats. That cause calls for vigorous and positive action on the part of our manufacturers today.

Advantages Offset By Neglect

Foreign business contacts, goodwill, and service have never been regarded very seriously by our country while doing only 8% of its business overseas. Today, in a seller's market, under the stress of war and shipping restrictions, they are forgotten terms. They remain vital factors in Latin American and Far Eastern trade as we face the necessity of exporting 12 to 18% of our post-war production to avoid unemployment and depression.

Countless American firms are smugly contemplating entry, re-entry, or expansion of South American business when, and as, surplus production, ocean bottoms, or air transport, are available; in most cases they will find themselves too late. All foreign and a few American companies who have built and nurtured their contacts with owners, buyers, and technicians, planned organizations and completed laboratory, factory, and field testing, and whose representatives have established social ties, will be miles ahead of them.

Immediate Contacts Without Immediate Shipments

Under normal conditions the South American industrialist or business man is secretive and hard of approach, seldom a technician himself, he relies on employees who by European sales methods, as well as racial and cultural sympathies, are wedded to former connections. Even the opportunity to demonstrate and test American machinery or finished goods has been frequently denied, but today times are not normal, a great temporary export market in finished goods for the emergency relief of Europe is looming. It will be backed by North American money. The South American industrialist wants a small share in that temporary market, while immigration and export of raw materials is building up his own permanent domestic market. Now is our opportunity for contacts which will be difficult in the future. Today, strange as it may seem, relations can be established without shipments.

Lack of North American supply in all lines, except Government parachutists and hot air, have naturally disillusioned the Latin business man. Bitter and resentful, in a mood to be easily reclaimed by European interests, he nevertheless knows that North American industry will have machinery, finished products, and the ocean bottoms available two years before Europe can ship in quantity; time is essential to him if he is going to get a ticket on the gravy boat of rehabilitation expenditures. Today he will listen, he will cooperate, test, and plan. A good portion of his business will remain with those whose foresight have made them the first prepared to give him supply, and the intelligent service that can only be developed through painstaking, time consuming preparation. Our Government will never block test, sample, or research shipments.

Free Insurance For Future Markets

Our need for a prompt expansion of foreign trade in the post-war world, to furnish employment, to cut domestic costs, to balance imports, to reclaim a portion of departing capital, and to protect our very standard of living is self-evident. Government relief purchases for Europe will furnish an altruistic, but dangerous and temporary stop-gap; a panacea to American business while our enemies of today again fasten their tenacles to the South. Our solid and continuing foreign trade lies within the fields of our national influence, unquestionably South America, probably the Far East.

Our corporations, manufacturers, and distributors cover themselves with practically every known type of insurance. It costs them nothing under existing surplus-profit taxes, but they neglect one form of protection; namely, provision through field representation and contacts for rapid and intelligent entry, re-entry, or expansion into their closest, their safest export market.

Red Cross Seeks \$12,920,700 in N.Y.C.

The New York City Red Cross War Fund drive was launched on March 1 when an estimated 100,000 volunteers began soliciting contributions to raise \$12,920,700, the city's quota of the national goal of \$125,000,000.

Following the action of President Roosevelt in proclaiming March as Red Cross month, Mayor LaGuardia of New York on Feb.

28 issued a similar proclamation and called upon the citizens to take part in the campaign and give generously so that the city's quota will be quickly oversubscribed.

Many phases of the city's business and industrial life are co-operating to keep the Red Cross appeal before the public. It is said that the campaign will require at least 2,000,000 persons to double their donations of last year.

Colby M. Chester is General Chairman of the New York fund.

Editorial—

Some Little-Noticed Aspects Of Unionism

One of the great changes in industrial life being wrought during this war is the vast increase in membership and economic strength of the labor organizations. The pages of this magazine have often pointed out this increase as being fraught with significance to all of us. Ten years ago, the public was concerned with unions chiefly when it was inconvenienced by a strike. Now, the public must be concerned with even the more technical policies of the unions, for such policies affect us all and will transform the nation unless they are changed or checked.

At the first of this year, the Department of Labor estimated that more than 40%, or 13,000,000, of all industrial employees in the nation were working under a union agreement. At least 60%, or 6,000,000, of these workers were subject to maintenance of membership or union shop clauses. Since January the trend towards the unions has continued unabated. Last week, the War Labor Board granted a maintenance of membership clause to a local CIO steel union which had staged so many strikes that on Feb. 17, the Navy felt compelled to take back the "E" pennant it had previously granted the company. Each week that passes sees thousands of additional employees brought into unions, most of them under maintenance of membership, which assures that those unions will continue to flourish at least for the duration of the war.

"The Chronicle" often has commented on the dangers inherent in maintenance of membership and it will do so in the future. Here, however, we wish to consider more specifically what the spread of unionism and maintenance of membership will mean to the nation by examining some of the technical policies the unions follow.

First, there is compulsory arbitration. In a series of advertisements appearing in the newspapers of last week, Montgomery Ward & Co. asserted that the arbitration clause the War Labor Board was requiring the company to sign was almost as objectionable to it as the maintenance of membership clause. The advertisements flatly stated that such a clause required the corporation to surrender its prerogatives and control over its property.

There is much to be said in favor of voluntary arbitration of labor and all other commercial disputes. But few individuals not directly charged with the management of industrial relations fully grasp what industrial management is asked to relinquish when it signs the typical union agreement which contains a typical arbitration clause.

Under such clauses the union may question the rate of speed on a given occupation or occupations, or the amount of work that must be turned out in a given period, and that question may go before the arbitrator. Control of the rate of production historically was a management prerogative but it is surrendered to an outsider under most arbitration clauses.

The union may question the number of men assigned to a given task and demand that the number be increased. The union may demand that the rate of pay for a given occupation or occupations be increased, and this question as with the two preceding instances mentioned, would go before an impartial arbitrator.

Even the most fundamental of management prerogatives, the right to promote, is challenged and carried to arbitration under some of these clauses.

The prerogatives thus surrendered (and the list is only illustrative, it is by no means all-inclusive) certainly demonstrates that compulsory arbitration means very fundamental changes in the American way of doing business. But there is also another serious aspect to the question. We need to comprehend the "climate" under which arbitration of industrial relations disputes is generally carried on.

The arbitrators are mostly drawn from college staffs, and to a great extent, these persons are still afflicted with the notion of the late 1920's and the 1930's that the unions are the great under-privileged class. We can best illustrate our point by referring to the public representatives on the National War Labor Board. These public representatives are supposed to be impartial and disinterested. Someone has said that a person has to be outspokenly and strongly pro-union to be considered sufficiently impartial to qualify as a public member of the War Labor Board. The decisions of the agency seem to support that observation. Yet, the arbitrators of industrial disputes are drawn principally from the same class as those who constitute public representatives on the War Labor Board.

One veteran personnel man summarized his experience with arbitration by saying that he always expected an arbi-

trator to award the union its demands in any and all cases involving wages, while in the other cases, the arbitrator would be careful to see that the union won better than a majority. Wryly, he pointed out that unless an arbitrator did rule in this general manner he would not last long, because the union would refuse to consent to his designation.

Closely associated with arbitration as a factor in bringing about great industrial changes under unionism is the matter of seniority. After the last World War, the debates over seniority raged for some years, until the waning of the strength of the unions greatly lessened interest in the subject. Now, with the unions controlling conditions under which half of our factory employees work, we need to think about the question of seniority again.

The unions demand and generally obtain clauses that make seniority the principal if not the only consideration in both layoffs and promotions. Sometimes, the clauses provide only that seniority shall prevail if ability and physical fitness are equal. Management often has held out for this latter type of clause because it has insisted that the right to promote for merit is the most fundamental prerogative of management. Yet, such clauses are generally subject to arbitration, and generally when disputes over promotion are arbitrated, seniority wins out.

We need to think about what seniority will do to our industrial system. Naturally, hard and fast seniority all but destroys discipline in the plant since arbitrators will only uphold discharges when the employee's offense was outstanding and grievous. It greatly lessens initiative and enterprise, since the hard-working and more enterprising worker sees the promotion go to the man who has served longest. The "time-servers" win out and get the advancements, and when hard times roll around, the management is forced to lay off the promising and enterprising among the newer of its employees, because seniority requires them to be laid off before the "time-servers."

The serious nature of the question was illustrated early last year when the Army and Navy stipulated clearly that seniority in the Government-owned ordnance plants must not interfere with the promotion and advancement of those most fit.

"The Chronicle" is glad to see that Congress is considering a sweeping investigation of the entire labor field, something these pages proposed last December before the new session had got underway. It now suggests that this investigation may well study carefully the implications of the rather technical clauses now contained in union contracts, the clauses which are making seniority universal, and which are forcing management to surrender control over the wages, assignment of work, and promotions to outside arbitrators.

When the full facts are made known, the public will demand some action.

The State Of Trade

Industrial reports continue to reflect the steady expansion of war equipment production.

Steel production in the United States for the current week will be at 99.1% of the 1943 increased capacity, indicating output of 1,716,100 net tons, the third largest of any week on record, according to the American Iron and Steel Institute.

Last week operations were at 98.2% and output was 1,700,500 net tons, while for the like 1942 week production totaled 1,654,500 tons. In weeks ended Oct. 12 and 26, 1942, output was slightly above that of the current week.

Steel making capacity was increased 1,098,140 net tons during the last half of 1942 to 90,292,660 tons, nearly half of the world's total, according to the magazine "Steel."

Since January, 1940, the industry has added facilities for 8,700,000 tons, equal to half those of Great Britain. When the present program is completed the industry will be rated at close to 96,000,000 tons of steel and 69,000,000 tons of pig iron.

Distribution of electric power for the week ended Feb. 27 was 3,892,796,000 kwh., a rise of 14.2% over the 3,409,907,000 for the like period of 1942, according to the Edison Electric Institute. The previous week's output was 3,948,749,000.

Gain by the Pacific Coast was 31% as compared with an increase of 30.6% the previous week.

Car loadings of revenue freight for the week ended Feb. 27 totaled 782,855 cars, according to reports filed with the Association of American Railroads. This was an

increase of 30,406 cars over the preceding week this year, 996 cars more than the corresponding week in 1942, and 26,185 cars above the same period two years ago.

This total was 122.77% of average loadings for the corresponding week of the 10 preceding years.

Production of war equipment by American industry in January this year was three and one-half times the rate for January, 1942, a leading Washington official reports.

Approximately 5,000 airplanes were produced, of which more than 65% were combat types, and upwards of 70,000 bombs of 1,000 pounds size or larger were delivered to the Army, Under-Secretary of War Patterson reported.

Although somewhat below December, because of year-end adjustments, January production nevertheless was in line with the production trend, which has been climbing at an average rate of nearly \$100,000,000 a month for a year.

Other figures cited by Mr. Patterson in the January munitions output were 80,000 Garand rifles, 27,000 .50 caliber aircraft machine guns, 7,000 20-mm. aircraft cannons, 63,000 sub-machine guns, and

37,000,000 square feet of metal landing mats.

The retail trade continues to report business at unusually high levels compared with last year. Sales of apparel in New York City in the week ended Feb. 27 recorded the largest increase of any week since the nation's women launched their rush to buy clothing, owing to fear of rationing. Figures released by the New York Federal Reserve Bank show that sales of the city's apparel stores were 80% larger than in the like week last year.

This sharp increase followed a gain of 61% in the previous week ended Feb. 20, and a jump of 53% in the week ended Feb. 13, the week immediately following the announcement of shoe rationing which touched off the buying wave. In the four weeks ended Feb. 27 sales of New York City apparel stores were 54% above those of the corresponding period last year.

Sales of New York City department stores last week were 21% above the like 1942 week, and in the four weeks rose 18% over the comparable period a year ago. For the entire New York Federal Reserve District sales in the week were also 18% higher than in the like 1942 week.

While the automobile industry is now operating at the highest level in its history, continued expansion is expected for some time, according to a survey by Standard & Poor's. Operating margins are expected to be relatively well maintained, and earnings before taxes should register good improvement. With taxes likely to be only moderately higher in 1943, a large part of the gain should be carried through to net income.

Total armament output of the automotive industry, including the related parts concerns, amounted to \$4,665,000,000 in 1942. In addition, the industry produced about \$820,000,000 of civilian goods. This is more than 10% greater than the industry's 1941 dollar volume of civilian and armament materials. Currently the annual rate of production is in excess of \$7,000,000,000, or 75% higher than in the industry's best peace-time year, and equivalent to producing 10,000,000 cars and trucks annually. The record high was 5,350,000 vehicles in 1929.

Fire Waste Council

The 20th annual meeting of the National Fire Waste Council will be held on April 2 at the U. S. Chamber of Commerce Building in Washington. It is announced that in view of the fact this is the 20th annual meeting of the Council and that its responsibilities are greater than ever before in dealing with the enormous burden of fire losses on the war effort, it is expected that every voting member of an accredited representative to the Council will attend and that every member organization will give its full cooperation in making this possible. It is also announced that the Program Committee has arranged a particularly effective program which, it is believed, not only will be of vital interest to the members of the Council, but also especially helpful in furthering the great work of the Council's organization membership and of real benefit to the Chamber's nationwide membership—chambers of commerce, trade associations, manufacturing and mercantile establishments, food storage and processing, agricultural organizations, etc. Leading executives from these fields will address the meeting in connection with specific and notable fire-safety accomplishments that have been attained in their respective organizations and business enterprises.

The luncheon meeting this year will be a continuation of the morning session and it is stated will be one of the principal features of the meeting.

THE FINANCIAL SITUATION

(Continued from first page)

can not bring themselves to hope that with the existing manpower situation and the scarcity of farm implements more land can be cultivated. So heavy are the demands of the armed forces and Lend-Lease expected to be that these goals will not, according to the authorities, even if fully reached, do better than cover essential requirements.

What Assurances?

But what assurance have we that these "goals" will actually be reached? As is well-known, last year was an exceptionally good crop year. Much larger production than usual was obtained in proportion to the acreage and labor devoted to agricultural production. Similarly exceptional weather conditions must prevail this year if we are not to fall short of the "goals" set under the conditions imposed. A poor crop year could be only a little short of disaster at best. Even with exceptionally good growing conditions it is questionable if we could match last year's production with the limited manpower and machinery available. Concessions have been belatedly made in the matter of calling up productive farmers in the draft, and more liberal allowances have been arranged for the manufacture of farm machinery, but at least some of the horses were stolen before the stable door was locked. The fact that the number of hired workers on the farms is now running at an all-time low is significant, but probably not as important as the fact that many proprietor-farmers have left their farms to grow up in weeds and are now in the armed forces or at work in highly paid war jobs.

New Deal-ish efforts to recruit and train farm workers may be set down as more or less certain to be of doubtful success—perhaps not so absurd as the still-born scheme to send battalions of city-bred soldiers to pick cotton, but unlikely to be particularly fruitful. Neither will plans for transporting workers from section to section as they are needed for harvesting or other farm work do a great deal to get at the roots of the difficulty. The planned increase in farm implements comes at the very eleventh hour. It may help, but it is too late to afford any complete solution since these implements, or many of them, are needed not two or three months hence but now. Whether the drain of manpower from the farms to the factories has ceased is unknown, but it would appear that the underlying causes still exist in increasing earnings to be had in the factories. Possibly the difficulties already being experienced by housewives in obtaining food—lamentably serious in some sections—may do more to stem the tide than all the efforts of befuddled Washington.

No Time to Waste

It is to be feared that much of the damage to food production is all but irreparable so far as this year's crops are concerned. They are almost certainly irreparable in the absence of prompt and vigorous action. The question of furloughing farmers and experienced farm workers needed to produce and to harvest crops appears still to be undecided, although some recent dispatches from Washington are somewhat more encouraging. Action can not be further delayed if this year's production is to be helped much. Anti-inflation programs and political fondness for labor appear to preclude any effective effort to deal with the price situation or wages in such a way as to stimulate farm production. Something really constructive may yet come out of Washington in the matter, but there is certainly no time to waste.

Distribution Clogged

When we turn to the distribution side of the matter, we find similar bungling. Arbitrarily fixed price ceilings, ineffectual enforcement of the million and one regulations governing the distribution of products, and a host of other similar muddles are in many instances quite effectively choking the channels of distribution with the result that even that which is available is not reaching consumers evenly, promptly and satisfactorily. The authorities have undertaken to regulate so extensively and so intensively that their schemes are breaking down of their own weight—and leaving many consumers buried in the debris. The recent tendency away from Gestapo or OGPU tactics is to be encouraged in every way. It may conceivably go far enough to be of some real help so far as distribution is concerned. It is certainly to be hoped so. One trouble is that the bedeviled consumer has become so bewildered by constantly repeated blunders and so often misled by pronouncements, that there is very little faith left in anything that comes out of Washington—and correspondingly little inclination to refrain from steps which appear to afford some brief security through hoarding and the like.

Here is a situation that will soon threaten, if it is not already seriously threatening, the entire war effort. Morale

Mme. Chiang On Tour Of U. S.—Before Congress Warns Against Delay In Action Against Japan

Mme. Chiang Kai-shek, wife of the Chinese Generalissimo, who plans a trans-continental tour of the United States, visited her Alma Mater, Wellesley College, at Wellesley, Mass., on March 6, after the recent receptions accorded her in Washington and New York City. During her stay in Washington Mme. Chiang, in an address in the House of Representatives, on Feb. 18, criticized the "prevailing opinion" that the defeat of the Japanese is "of relative unimportance and that Hitler is our first concern." Mme. Chiang said that "this is not borne out by actual facts, nor is it to the interests of the United Nations as a whole" to allow Japan to continue as a vital potential threat.

After being a guest at the White House for 10 days, Mme. Chiang came to New York City on March 1 and was extended an official welcome by Mayor F. H. LaGuardia at City Hall. A public reception was also held in City Hall Park and Mme. Chiang later visited New York's Chinatown.

On the night of March 2 Mme. Chiang addressed a massmeeting in Madison Square Garden, and on March 3 attended a reception at Carnegie Hall given by New York's Chinese. She concluded her stay in New York on March 6 and then traveled to Wellesley, to spend the week-end at Wellesley College, from which she was graduated in 1917. On March 8 she was feted at Boston. Besides making a cross-country tour of various cities, it is possible she may visit Canada and England before returning to China.

In her address at the Madison Square Garden rally Mme. Chiang appealed for a post-war world in which great and small nations have equal opportunity of development, with the stronger nations guiding the weaker toward self-government rather than exploiting them.

She also suggested that the goal of our common struggle at the conclusion of this war should be to shape the future so that "this whole world must be thought of as one great State common to gods and men."

After propounding the questions, "What are we going to make of the future?" and "What will the re-creating world, recovering from this hideous blood-letting be like?" Mme. Chiang answered:

"The wisest minds in every corner of the world are pondering over these questions, and the wisest of all reserve their opinion. But, without letting temerity outrun discretion, I venture to say that certain things must be recognized. Never again must the dignity of man be outraged as it has been since the dawn of history.

"All nations, great and small, must have equal opportunity of development. Those who are stronger and more advanced should consider their strength as a trust to be used to help the weaker nations to fit themselves for self-government and not to exploit them. Exploitation is spiritually as degrading to the exploiter as to the exploited.

"Then, too, there must be no bitterness in the reconstructed world. No matter what we have undergone and suffered, we must try to forgive those who injured us and remember only the lesson gained thereby.

"Finally, in order that this war may indeed be the war to end all wars in all ages, and that nations, great and small alike, may be allowed to live and let live in peace, security and freedom in the generations to come, cooperation

in the true and highest sense of the word must be practiced.

"I have no doubt that the truly great leaders of the United Nations, those men with vision and forethought, are working toward the crystallization of this idea; yet they, too, will be impotent if you and I do not give our all toward making it a reality."

Mme. Chiang's address before the House of Representatives on Feb. 18 marked her first public appearance since arriving in this country last November for medical treatment. In her remarks she urged Congress to lead the way in preparing a brighter future for the post-war world, and expressed the hope that all nations become members of "one corporate body." She also appealed for increased aid to China, pointing out that "the Japanese juggernaut remains" and that "Japanese military might must be decimated as a fighting force before its threat to civilization is removed."

Mme. Chiang went to Washington on Feb. 17 from Hyde Park, N. Y., where she had passed a few days at President Roosevelt's estate. She was met at the railroad station by the President and Mrs. Roosevelt and was a guest at the White House for two weeks.

On Feb. 18 Mme. Chiang first paid a visit to the Senate and made an extemporaneous speech emphasizing the traditional friendship between the United States and China.

In her prepared address to the House, which was broadcast nationally, Mme. Chiang said two impressions she gained during her trip to this country were that "the American people have every right to be proud of their fighting men," and that "America is not only the cauldron of democracy, but the incubator of democratic principles."

As to the tendency to belittle Japan's strength, Mme. Chiang warned:

"Now the prevailing opinion seems to consider the defeat of the Japanese as of relative unimportance and that Hitler is our first concern. This is not borne out by actual facts, nor is it to the interests of the United Nations as a whole to allow Japan to continue, not only as a vital potential threat but as a waiting sword of Damocles, ready to descend at a moment's notice.

"Let us not forget that Japan in her occupied areas today has greater resources at her command than Germany.

"Let us not forget that the longer Japan is left in undisputed possession of these resources, the stronger she must become. Each passing day takes more toll in lives of both Americans and Chinese.

"Let us not forget that the Japanese are an intransigent people.

"Let us not forget that during the first four and a half years of total aggression China has borne Japan's sadistic fury unaided and alone."

As to the duties of the present Congress, Mme. Chiang said:

"It now remains for you, the

present representatives of the American people, to point the way to win the war, to help construct a world in which all peoples may henceforth live in harmony and peace.

"May I not hope that it is the resolve of Congress to devote itself to the creation of the post-war world? To dedicate itself to the preparation for the brighter future that a stricken world so eagerly awaits?"

"We of this generation who are privileged to help make a better world for ourselves and for posterity should remember that, while we must not be visionary, we must have vision so that peace should not be punitive in spirit and should not be provincial or nationalistic or even continental in concept, but universal in scope and humanitarian in action, for modern science has so annihilated distance that what affects one people must of necessity affect all other peoples.

"The term 'hands and feet' is often used in China to signify the relationship between brothers. Since international interdependence is now so universally recognized, can we not also say that all nations should become members of one corporate body?"

She also stated "that China is eager and ready to cooperate with you and other peoples to lay a true and lasting foundation for a sane and progressive world society which would make it impossible for any arrogant or predatory neighbor to plunge future generations into another orgy of blood."

Mme. Chiang concluded:

"We in China, like you, want a better world, not for ourselves alone, but for all mankind, and we must have it. It is not enough, however, to proclaim our ideals or even to be convinced that we have them. In order to preserve, uphold and maintain them, there are times when we should throw all we cherish into our effort to fulfill these ideals even at the risk of failure.

"The teachings drawn from our late leader, Dr. Sun Yat-sen, have given our people the fortitude to carry on. From five and a half years of experience we in China are convinced that it is the better part of wisdom not to accept failure ignominiously but to risk it gloriously. We shall have faith that, at the writing of peace, America and our other gallant Allies will not be obtunded by the mirage of contingent reasons of expediency.

"Man's mettle is tested both in adversity and in success. Twice is this true of the soul of a nation."

The President and Mme. Chiang held a joint press conference on Feb. 19, at which Mr. Roosevelt pledged that the United States will send increased military aid to China just as fast as the Lord will let us. To this remark, Mme. Chiang replied that the Lord helps those who help themselves.

The President, stressing the transportation difficulties, said, however, that this problem was being studied and increased aid will get under way as soon as possible. He pointed out that the United States is just as eager to knock out Japan as China is, and that the objective of increasing aid is to use China as an important base of operations against the common enemy, Japan.

Mme. Chiang said that the greatest need in China is for munitions, since her country has the man-power but cannot equip them.

The conference was opened by the President with informal remarks in presenting newspaper correspondents to Mme. Chiang.

On Feb. 22 Mme. Chiang journeyed with the President and Mrs. Roosevelt to Arlington National Cemetery to place wreaths on the Tomb of the Unknown Soldier and at the graves of George and Martha Washington in Mount Vernon.

behind the armed forces is in grave danger. Should the rank and file of the people be subjected to real food hardships during the next twelve months, the belief is certain to be widespread—whether warranted or not—that the situation is really quite unnecessary and wholly due to official blundering. Enthusiastic support of Government so necessary in times such as these is not nourished by such conditions.

And the days are passing.

Problem Of Post-War Employment Of Utmost Urgency, With Burden On Industry; Hoffman

(Continued from first page)

—and of this number no less than 20,000,000 will be directly engaged in the manufacture of war goods with an additional 9,000,000 or 10,000,000 in the armed forces.

"If in the post-war period we had to provide employment at the 1943 level, the task would be staggering. Fortunately, several million of that working force are overage, underage, or women who voluntarily will return to their homes. The best estimates indicate that if we achieve an employment level of approximately 58,000,000, with a normal work week, a very satisfactory situation will prevail. It is estimated that approximately 2,000,000 of these 58,000,000 will be in the armed forces, which means that civilian employment will have to be found for the remaining 56,000,000. That spells out to 10,000,000 more peace-time jobs than were available in 1940. They will have to be created either in private industry or by the Government on public works projects.

"Jobs stem from the output of goods and services. In 1940 the gross output of goods and services in the United States totaled \$100,000,000,000. Bear in mind I speak of gross output, not national income. That was a record for a peace-time year. War goods constituted less than \$2,000,000,000 of this amount. In this year of 1943, gross output is expected to total \$155,000,000,000. Of this total, war goods will account for approximately \$85,000,000,000—civilian output, \$70,000,000,000. These estimates are all made in terms of the 1941 dollar. In that post-war year when we hope to have civilian employment for 56,000,000 people, our output of civilian goods and services will have to exceed \$135,000,000,000. That is 38% over the \$98,000,000,000 of 1940. In addition, it is estimated that production of military goods will continue at the rate of perhaps \$10,000,000,000.

"It is anticipated that even though we assume an orderly curtailment of war production and a gradual demobilization of our armed forces, these two tasks will have been completed within about two years. That means we have but two years to bring about the complete transition from a war to a civilian economy—two years in which to raise the output of civilian goods and services from the very low level then prevailing to the new record-breaking heights which must be reached if millions of men are not to be found walking the streets looking for jobs. Reaching that high level peace-time output is going to be a whale of a job—the toughest assignment this nation ever tackled.

"The very toughness of this assignment should make it crystal clear that to meet it (1) individual enterprises must start their postwar planning of products and marketing now and (2) the environment in the post-war period must be favorable to the expansion of enterprise. These are certainly the convictions of the business men and professional economists with whom I am associated on the Committee for Economic Development."

With reference to the Committee for Economic Development, we quote in part, as follows, what Mr. Hoffman had to say:

"The Committee for Economic Development has been mentioned by me. Perhaps I had better describe it briefly. As projected, it is to be composed of a board of 18 trustees, of 12 regional chairmen, and from 135 to 150 district chairmen.

"The idea of establishing the Committee for Economic Development originated when Secretary Jesse Jones called together a group of business men several

months ago. Secretary Jones then suggested that a committee be organized which would accept the responsibility for assisting commerce and industry to develop means for making their full contribution to stability and prosperity through the achievement of optimum employment and high productivity in the post-war period. Out of that proposal of the Secretary's came the Committee.

"The Committee is completely independent and self-financed but continues to have the active support of Secretary Jones and Under Secretary Wayne C. Taylor of the Department of Commerce. Further, it has been assured cooperation by almost every governmental agency concerned with the problems of the postwar economy. Its program, its aims, already have been discussed with such governmental groups as the State Department, Federal Reserve Board, The National Resources Planning Board, the Board of Economic Warfare, and the War Production Board.

"Basic responsibility for the Committee's activities rests with its Board of Trustees. Its activities are carried out through two major divisions—The Field Development Division and The Research Division. Mr. Marion Folsom, Treasurer of Eastman Kodak Co., who is a member of the Board of Trustees, heads the Field Development Division. Mr. Ralph Flanders, President of Jones & Lamson Machine Co., who is also a Trustee, heads the Research Division.

"The Field Development Division has the responsibility of stimulating, encouraging and helping individual enterprises in planning their programs of products and marketing for the postwar period. The Committee is not overly concerned about the larger corporations. They have the resources and the technical ability to do a first-class job on their own. Almost without exception they already have started. It is the smaller businesses—tens of thousands of them all over the country—which are going to need both encouragement and help in getting their programs under way.

"It seems terribly important to members of our Committee that all possible cooperation be extended to these smaller enterprises—not for emotional reasons, not as a matter of charity or philanthropy, but because they are essential to our country. In the aggregate, the small business man provides many millions with their livelihood. They are the grass roots from which our business economy grows. If they go down, the country goes down with them. We had a sample of what that means in the '30s.

"The Research Division is concerned with the creation of an environment in the postwar period favorable to the expansion of enterprise.

"Two meetings participated in by the Research Committee, Research Advisory Board and the Research Staff have already been held.

"At our last meeting these was general agreement that studies in three categories should be undertaken immediately. First, the government and business policies growing out of the war itself, such as rationing, price controls, and the ownership and operation of war plants. The cessation of hostilities will bring an immediate demand for a shift from these policies. A well-considered program of transition must be available. Second, the peculiar and particular problems of small enterprises. As a matter of fact business men and economists were of one opinion, namely, that the government must take positive action to assure a favorable climate for the birth and continued life of

smaller enterprises. Third, taxation.

"The objective of the taxation study, which the Research Division will undertake, will be to arrive at recommendations for changes which will encourage risk taking, hence expansion, hence more jobs.

"The conclusions of the Research Staff, when approved by a Reading Committee of the Research Advisory Board, will be published and made available to all who are interested. Further, in these studies, it can be hoped that the Board of Trustees of the Committee for Economic Development, in its deliberations on policy, will have available for its guidance evidence now tragically lacking.

"This proposed research program is a difficult assignment. It transcends any similar assignment undertaken and financed by business. It will take time, not much can be expected in less than two years, but it holds the promise that out of the studies will come evidence so clear that it will have a most constructive effect on both business and government policies in the postwar period.

"That, in brief, is the way the Committee for Economic Development is set up to help commerce and industry get ready now to supply jobs as soon as the war ends.

"The prospect is agonizing—and hopeful and inspiring. It is hopeful because peace, when it comes, will find a huge pentup need and desire for goods—and many billions of dollars of savings available to permit people to translate their desires into buying demand. Industry's problem will be to meet the demand, not to create it.

"The prospect is inspiring, because at the end of the war business will have its biggest—and perhaps its last big—chance to help put the better world for which we are now fighting on the healthy economic basis which will keep it better.

"Business must be ready to act quickly and surely when that time comes. Long before peace arrives, it must have planned actively and soundly for the postwar period—and it must have planned boldly. Only bold planning now can form the basis for the bold action necessary immediately after the war ends.

"For once peace comes, industry must be ready to race to high level employment very quickly. The desire for goods will be in the people's hearts and money to buy will be in their hands, but business must be ready to put the idle millions to work. It must get jobs to the idle millions before long unemployment brings them fear and disillusionment and want. Industry must be prepared for this grim yet inspiring race. If business has planned boldly and has the courage to act boldly when peace comes, then its wheels can begin to turn in time. When it comes to providing postwar jobs we just can't chance bringing too little, too late."

Restrict Shoe Price Lines Ease 'Play' Shoes Rationing

Acting to protect consumers against the possibility of the shifting of shoe production into high-priced lines, the War Production Board has prohibited manufacturers from producing more shoes in any price line than were made prior to institution of the rationing program. At the same time, shoe production in the six months beginning March 1 was restricted to the volume of output in the final six months of 1942, and manufacture of house slippers was reduced by 25%. The announcement from the Board further stated:

"In an action further amending Order M-217 (footwear), WPB ordered that in the six months beginning March 1 shoe manufacturers must confine their civilian

Picketing In Dispute Between Rival Unions Held Illegal By N. Y. Court Of Appeals

A decision holding picketing to be an illegal means of prosecuting a jurisdictional dispute between rival labor unions was handed down in a 4-to-3 opinion by the New York State Court of Appeals at Albany on March 4. The Court, in its findings granted a restraining order asked by a New York City shoe retailing firm against an American Federation of Labor shoe salesmen's union, according to Associated Press accounts from Albany, which further said:

"The company said it had a collective bargaining contract with a Congress of Industrial Organizations affiliate, but was picketed by the A. F. L. union as 'unfair.' Company attorneys said the picketing began when the company refused to sign a contract with the A. F. L. union.

"Writing the majority opinion, Judge Harlan W. Rippey said there was nothing in the State Labor Relations Act 'to indicate any intent on the part of the

production to the same price ranges and lines that they made in the last six months of 1942. If they made several price lines, they are prohibited from producing more shoes in any given line than were manufactured in that line previously.

"The effect of the amendment is to provide consumers, in so far as possible, the same choice of price, type and quality of footwear they previously had, and to set up a barrier to any tendency by manufacturers to increase the production of high-priced shoes under the rationing program. The restrictions are necessary because of the heavy requirements for top grades of upper and sole leather for the armed forces and Lend-Lease.

"The order provides that a low-priced line of civilian shoes may be substituted for the same type of a high-priced shoe in an individual manufacturer's production program. Also, the unused production quota of any high-priced line may be added to the quota of a low-priced shoe.

"In addition, manufacturers may complete the production of any portion of a new line of civilian shoes which they put into process between Jan. 1 and Feb. 19, 1943.

"As a result of the 25% cut, annual production of house slippers is expected to be about 36,000,000 pairs, or a reduction of approximately 7,000,000 pairs below the 1942 level. In 1942, production of house slippers totaled 43,000,000 pairs."

The amendment covers the following types of civilian shoes made in whole or in part of leather or with rubber soles: men's dress and work, youths' and boys', women's and growing girls', misses' and children's, infants', house slippers, and athletic. A "line" is defined as footwear of any of these types in a single price range. Price range has the usual trade significance, provided that the highest list price may not exceed the lowest price in the range by more than 10%.

Beginning Feb. 25, a limited group of "play" shoes became exempt from OPA rationing control. Specifically excluded from rationing are current stocks of ski shoes, skate shoes, rubber-soled shoes with fabric uppers, locker sandals, bathing slippers and other play shoes with uppers made of fabric or types of leather not on the essential list.

The exemption is limited to stocks of shoes which are now in the hands of retailers, wholesalers or manufacturers, or which are manufactured before April 16. Any shoes made after that date will be on the ration list.

Also placed in the non-rationed classification are all baby shoes up to size 4. Originally, only soft-soled infant shoes were on the "ration-free" list. Sizes above 4 will be subject to rationing regardless of the sole.

Previous reference to the shoe-rationing regulations was given in our issue of Feb. 25, page 758.

Legislature that it should cover a retaliatory jurisdictional dispute between two rival unions where no strike existed against an employer, and where there was no complaint concerning terms or conditions of employment.

"Judges Edward R. Finch, Edmund H. Lewis and Albert Conway joined Judge Rippey. Chief Judge Irving Lehman and Judges Charles S. Descond and John T. Loughran dissented.

Sproul Heads NY War Finance Committee

Allan Sproul, President of the Federal Reserve Bank of New York, has been named by Secretary of the Treasury Morgenthau to serve as Chairman of the new Treasury War Finance Committee in the Second Federal Reserve District. The appointment of the Committee in the local Reserve District follows the creation of a U. S. Treasury War Finance Committee, announced by Secretary Morgenthau on March 3. Headed by W. M. Robbins, the National Committee was formed to integrate the efforts of the War Savings Staffs and the Victory Fund Committees in the gigantic war financing drive which is to begin April 12. Secretary Morgenthau indicated in his announcement that committees in the various Reserve Districts would be organized on lines similar to the National Committee.

Mr. Sproul has appointed the following as members of the Committee in the New York District, to serve with him as Chairman:

Thomas H. Hewes, Connecticut State Administrator, War Savings Staff; John E. Manning, New Jersey State Administrator, War Savings Staff; Col. Richard C. Patterson, Jr., New York State Chairman, War Savings Staff, and Perry E. Hall, Executive Manager, Victory Fund Committee, Second Federal Reserve District.

This Committee will act in an advisory capacity to Mr. Sproul, who, by direction of the Secretary of the Treasury, will have full authority and responsibility in the Second Federal Reserve District to direct the April war financing drive. In preparation for and during the drive, the existing State War Savings Staffs and the Victory Fund Committee for the Second Federal Reserve District will aid in mobilizing the combined efforts of the two organizations.

In a notice to various committeemen of the Second District, Chairman Sproul said:

"The war calls for a thorough mobilization of all of our financial resources. The Treasury's requirements surpass all other financial considerations. It is imperative that we consolidate and strengthen our forces on the financial sector of the fighting front. Just as the military authorities have found it necessary to bring the Army and Navy under a unified command in a given area, so the Treasury has asked its two fund-raising units—the War Savings Staff and the Victory Fund Committee—to form a single 'task force' to carry on the April drive.

"This is a challenge to all of us. I know that you will respond with increased effort to make the April drive a success."

Newspapers Termed Vital To Winning War— Halleck Assails "Bureaucratic" Critics Of Press

Acclaiming the nation's newspapers as "one of the most essential and vital factors in the winning of the war," Representative Charles A. Halleck (Republican) of Indiana on March 4 took to task "bureaucratic" critics of the press, asserting that "they are self-appointed," and adding that "if I were to choose between the bureaucrats and the newspapers for a guardian of the rights of men, I would unhesitatingly choose the newspapers." Representative Halleck's strictures were made in a speech in the House, in which he said that "without newspapers the voice of Congress would be virtually unheard beyond the walls of its chambers. Its aims and labors would be distorted and misunderstood." He went on to say:

"To refute the falsehoods of the propagandists who have attempted to and will continue to attempt to minimize and discredit the Legislative branch there has been the press which, with a very few exceptions, has reported fairly and fully the deliberations of the Congress. Through these reports of the newspapers the public has been correctly informed."

Congress was called upon by Mr. Halleck in his address not to tolerate any "carelessness and groundless opinions" on the part of those who drafted regulations restricting the use of newsprint.

In reviewing the accomplishments of the newspapers Representative Halleck, according to Washington Associated Press accounts March 4 given in the New York "Herald Tribune," had the following to say:

"With the nation at war," he continued, "we should recognize the very definite and direct contribution that the press of the nation is making to the war effort."

It is a contribution which should clearly indicate that the press must be classed as an essential industry and given consideration as such. That certain recent actions on the part of some governmental agencies and administrators have seemingly failed to consider the press of the country leads me to ask your indulgence while I recount some of the things our newspapers have been doing and are now doing to step up our war effort and hasten the day of victory.

"Review and calculate, if you can, the thousands of communications and regulations of which the public must be immediately informed. To distribute such information quickly to every city and farm, to set it out in proper detail, to define and explain and interpret—these are in large measure beyond the scope of personal interviews, the telephone, the mail, the periodicals and radio."

Food-rationing registration, he said, "provided just one example of the indispensable position occupied by the newspaper in relationship to the Government and the people. . . . Newspapers stepped into the breach and printed forms in their own columns so that housewives could clip them and use them when they visited their rationing boards."

"To the inspiring records of the newspapers' contributions in bringing about husbanding of rubber tires and oil, in winning ready cooperation in the rationing of gasoline and food, in promoting the sale of bonds, in increasing recruiting, and in expediting the selective service operations, should be added their very important work in stepping up war production. Newspapers were quick to present the problem to the American people and have labored steadily to help Government and suppliers set up an efficient program of production."

"The output of American factories has eclipsed expectations and due credit can be given to the newspaper through its focusing of public attention on this crucial need."

"The list of newspaper accomplishments is endless," he declared.

"With such a record before us, it is incomprehensible that there should be some who should incline to classify newspapers as non-essential and dispensable, and, for instance, should mistakenly and unnecessarily seek to reduce the amount of paper which they may use."

"I have referred to the aid given by newspapers to some of the departments of Government during these days of war. The acknowledgment should be extended to include the services rendered to this body, which has discovered anew a staunch supporter and effective aid in the press."

In his speech Representative Halleck declared that "there are some in the various offices of Government who decry the importance of the newspaper, who sneer at them as an institution, yet I cannot help but observe the steps they take to surround themselves with writers and publicists whose sole purpose is to see that their daily output is printed by the newspapers."

He was further quoted in the press advices as stating:

"Strangely enough, certain of the most bitter enemies of the press are those who sedulously seek publicity in the newspapers for themselves and their programs. It is not inappropriate to suggest that some of the pulp and paper materials used by the bureaucrats might be more properly allotted to the newspapers for which they have decreed shortages."

"If there are some whose animosity leads them to attempt to destroy the newspapers which stand between them and their goal, let us seek them out and render them harmless. For when you destroy the newspapers, you destroy one of the most effective internal implements of war and of peace which this nation possesses."

48-Hour Week Affects Employees Of 8 Up

It is announced by the Manpower Commission that regulations issued Feb. 28 by its Chairman Paul V. McNutt to govern the application of the 48-hour week called for by the President will, with some exceptions, affect all employers of eight or more persons in 32 designated areas whose production can be increased by a longer week or who can maintain their production with fewer men. According to the Commission, the exact boundaries of these areas, for the purpose of applying the 48-hour week, will be fixed by the regional directors of the WMC in the various localities.

In addition to applying in these areas, the 48-hour week also will be in effect in the lumbering and non-ferrous mining industries on a nation-wide scale, Mr. McNutt said. The Commission's announcement (Feb. 28) went on to say:

"Inquiries concerning application of the regulations should be directed to the proper regional or area manpower director. Administration of the order is delegated by the Chairman to the Commission's regional and area directors."

"It is made clear that the lengthened week order will not apply to farms or to persons employed by any State or any of its political subdivisions or instru-

mentalities, or to youth under the age of 16, or to persons who, because of other employment, household duties or physical disabilities, are not available for full-time work, or for business houses in which fewer than eight persons are employed regularly.

"The exclusion of establishments with fewer than eight persons, it is explained in an interpretative statement issued with the regulations, is based chiefly on assumption that in smaller establishments the extension of the work week would not result in the release of workers."

"The regulations have been sent to regional and area directors and to U. S. Employment Service Offices, together with instructions for carrying out terms of the President's order."

"In the regulations, it is stated that from time to time regional manpower directors may designate additional areas and activities if they find such action will reduce labor shortages which are holding back the war effort."

"Regional and area directors are authorized to consider a minimum work week of less than 48 hours when a full 48-hour week would neither increase production, release workers for other employment, nor otherwise further the war effort."

Mr. McNutt explains in the regulations that the President's order "shall be so construed and applied as best to effectuate its fundamental purpose which is to aid in meeting the manpower requirements of our armed forces and our expanding production program by a fuller utilization of our available manpower."

Continuing, the regulations state:

"Effectuation of this purpose requires that in situations of labor shortages employers do not hire new workers when their manpower needs can be effectively met by a fuller utilization of their current labor force, and that workers who can be released by an extension of the work week are released under circumstances which will permit and facilitate their effective utilization elsewhere in the war effort."

The regulations provide that if the labor requirements of an employer are such that the extension of the work week will not permit the release of any workers but would result rather in their continued full utilization in their present employment or their transfer to other employment under his direction, the 48-hour week should be put into effect at once.

Whenever the Regional or Area Manpower Director, or the designated representative of either, determines that released workers can be placed promptly in suitable employment, their employer will be notified. The employer should then proceed promptly to shift to the longer week. If the representative of the War Manpower Commission has not determined and notified the employer, however, that his released workers can be placed without delay, the work week will not be extended before April 1, 1943.

Before that date the employer will be expected to submit to the representative of the Commission a statement as to how many workers would be released and their occupational classification, together with a proposed schedule for the timing of their release. In such cases, the Regional or Area Manpower Director, or designated representative, will authorize the schedule for the extension of the work week to the 48-hour work week, and for the release of the workers in accordance with the needs of the labor market. The employer then will extend his work week in accordance with such schedule.

An employer in any designated area or activity who is not in

compliance with the regulations shall not hire any workers.

Previous items concerning the 48-hour week appeared in these columns of Feb. 25, page 763; Feb. 11, page 564.

19,281 Freight Cars On Order By Roads Feb. 1

Class I railroads on Feb. 1, 1943, had 19,281 new freight cars on order; the Association of American Railroads announced on March 4. This included 9,342 hopper, 7,955 gondola, 1,774 flat, 67 plain box cars and 143 miscellaneous freight cars. On the same date last year they had a total of 68,070 on order.

The Class I railroads on Feb. 1, this year, also had 471 new locomotives on order compared with 543 on the same day in 1942. The number on order on Feb. 1, 1943, included 335 steam and 136 electric and Diesel contrasted with 249 steam and 294 electric and Diesel one year ago.

The Class I railroads in January, 1943, put 1,683 new freight cars in service compared with 8,143 in the same month last year. Those installed in the first month of the current year included 620 hopper, 584 gondola, 370 flat, 65 automobile box, 17 plain box and 27 miscellaneous freight cars.

New locomotives put in service in January totaled 49, of which 44 were steam and five were electric and Diesel. New locomotives installed in January, 1942, totaled 71, of which 26 were steam and 45 were electric and Diesel.

Banking Institute To Hold Wartime Meeting

The wartime conference of the American Institute of Banking, which will take the place of the 41st annual meeting of the Institute in Chicago, June 9-10, will be devoted primarily to the essential business of the Institute and a study of its training program and the manpower problem which confronts the banking system in this war period, according to a pronouncement of the AIB Executive Council adopted at its meeting in Peoria on Jan. 19 and released for publication on Feb. 26. The statement issued by the Executive Council is as follows:

"This meeting will be held for the purpose of reviewing the Institute's training program and the manpower problem which confronts our banking system during the wartime period."

"For over 42 years the training of bank personnel has been the fundamental purpose of the American Institute of Banking, and this work is now more essential than ever. At the wartime conference, therefore, plans will be discussed to overcome the serious difficulties caused by the loss of trained personnel and to assist the banks in broadening the scope of their contribution to the war effort."

"Attendance at this conference is being restricted in accordance with the request of the Office of Defense Transportation and in full realization of the burdens being placed upon the transportation facilities of the nation."

Previous reference to plans for the meeting was made in these columns Dec. 24, page 2264.

A Safe Haven For Investment Funds

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

- American Savings & Loan Association
17 East First South Street, Salt Lake City, Utah
- Berkeley Guarantee Building & Loan Association
2101 Shattuck Avenue, Berkeley, Calif.
- California Federal Savings & Loan Association
5654 Wilshire Blvd., Los Angeles, Calif.
- California Savings and Loan Company
673 Market Street, San Francisco, Calif.
- Citizens' Federal Savings and Loan Association
654 Market Street, San Francisco, Calif.
- First Federal Savings and Loan Association of Altadena
2455 North Lake Avenue, Altadena, Calif.
- First Federal Savings and Loan Association of Beverly Hills
9501 Santa Monica Boulevard, Beverly Hills, Calif.
- First Federal Savings and Loan Association of Hollywood
6763 Hollywood Boulevard, Hollywood, Calif.
- First Federal Savings and Loan Association of Wewoka
211 South Wewoka Avenue, Wewoka, Okla.
- Franklin Federal Savings and Loan Association
616 East Franklin Street, Richmond, Va.
- Glendale Federal Savings and Loan Association
118 North Brand Boulevard, Glendale, Calif.
- Home Federal Savings and Loan Association
945 Seventh Avenue, San Diego, Calif.
- Home Mutual Deposit-Loan Company
160 Sutter Street, San Francisco, Calif.
- Independent Building-Loan Association
16 East San Antonio Street, San Jose, Calif.
- Mid Kansas Federal Savings and Loan Association
215 South William Street, Wichita, Kans.
- Mutual Building & Loan Association of Pasadena
38 South Los Robles Avenue, Pasadena, Calif.
- Northwestern Federal Savings & Loan Association
823 Marquette Avenue, Minneapolis, Minn.
- St. Paul Federal Savings and Loan Association
Fourth at Wabasha Street, St. Paul, Minn.
- San Diego Federal Savings & Loan Association
1027 Sixth Avenue, San Diego, Calif.
- San Francisco Federal Savings and Loan Association
705 Market Street, San Francisco, Calif.
- Standard Federal Savings and Loan Association
735 South Olive Street, Los Angeles, Calif.
- Wilshire Federal Savings and Loan Association
461 South Western Avenue, Los Angeles, Calif.

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

FDR Hails Red Army On 25th Anniversary

President Roosevelt paid tribute on Feb. 22 to the Red Army and the Russian people, declaring that they "have surely started the Hitler forces on the road to ultimate defeat, and have earned the lasting admiration of the people of the United States."

The President's declaration was made in a message to Premier Joseph Stalin, Supreme Commander of the armed forces of the Soviet Union, on the twenty-fifth anniversary of the Red Army.

Secretary of State Hull, in a statement praising the Red Army, declared that Americans "can fully understand the pride which the Soviet people have today in their armies and we rejoice with them in the ever-growing tide of success which is crowning their arms."

The President's message follows: "On behalf of the people of the United States, I want to express to the Red Army, on its twenty-fifth anniversary, our profound admiration for its magnificent achievements, unsurpassed in all history."

"For many months, in spite of tremendous losses in men, supplies, transportation and territory, the Red Army denied victory to a most powerful enemy. It checked him at Leningrad, at Moscow, at Voronezh, in the Caucasus and finally, at the immortal Battle of Stalingrad, the Red Army not only defeated the enemy but launched the great offensive which is still moving forward along the whole front from the Baltic to the Black Sea. The enforced retreat of the enemy is costing him heavily in men, supplies, territory and especially in morale."

"Such achievements can only be accomplished by an army that has skillful leadership, sound organization, adequate training and above all, the determination to defeat the enemy, no matter what the cost in self-sacrifice."

"At the same time, I also wish to pay tribute to the Russian people from whom the Red Army springs, and upon whom it is dependent for its men, women and supplies. They, too, are giving their full efforts to the war and are making the supreme sacrifices."

"The Red Army and the Russian people have surely started the Hitler forces on the road to ultimate defeat and have earned the lasting admiration of the people of the United States."

In reply to the President's message, Premier Stalin expressed confidence on Feb. 23 that the enemy "will be smashed by the united power of our countries and all freedom-loving peoples."

The text of Mr. Stalin's reply, as recorded by the Soviet monitor in London, follows according to the Associated Press:

"Please accept my sincere thanks for your friendly message on the occasion of the twenty-fifth anniversary of the Red Army and for your high estimation of its military successes."

"I share your confidence that these successes open the way to the final defeat of our common enemy, which must and will be smashed by the united power of our countries and all freedom-loving peoples."

At an earlier date (Feb. 16) President Roosevelt hailed the Russian capture of Kharkov as grand and told reporters at his press conference on that day that the Red Army had then taken two or three strong points the seizure of which made it more difficult for the Germans to undertake counter-offensives in the Spring. Advice to the effect that the sword of honor that King George VI plans to present to the city of Stalingrad would be accepted with gratitude, were indicated on Feb. 23 by President Mikhaeil Kalinin of Russia, according to Associated

Press London account, which added: "His answer to King George's offer was made public by the Soviet radio monitor, which quoted Mr. Kalinin as saying the blade would be received as a symbol of comradeship in arms between the peoples of Great Britain and the Soviet Union."

The New York State Senate adopted a resolution on Feb. 23, hailing the Red Army on its twenty-fifth anniversary and expressing "the profound gratitude of the people of New York State to the fighting men and women of the Red Army, who, by their selfless heroism, have stemmed the Nazi tide, thus advancing the common cause of the United Nations."

No Change In Goal For Armed Forces: FDR

President Roosevelt declared on Feb. 19 that there is no intention to change the decision to have 11,000,000 men in the armed forces by the end of 1943.

The President told his press conference that the Army's goal for 1943 of 7,500,000 had been set six months ago, based on military needs, and had not been changed. About 800,000 officers would bring the total to 8,200,000 with the other branches of the service making up the planned total of 11,000,000 by the end of 1943.

Mr. Roosevelt further said that the 1944 goal would probably be decided on in the Fall but would not estimate now what it would be.

The President made these comments when asked about the farm labor shortage and efforts in Congress to enact legislation to restrict the size of the Army by deferment of men from agriculture. He stated that the food situation was serious but not beyond solution.

The President was later the same day (Feb. 19) reported to have agreed that soldiers could help harvest crops in emergency cases. Representative Fulmer (Dem., S. C.), Chairman of the House Agriculture Committee, said Mr. Roosevelt agreed to his suggestion of sending a specified number of soldiers from near-by camps into farm areas for short periods of time.

House Favors Deferment Of Family Men In Draft

Legislation to put draft quotas on a State-wide basis and give family men draft deferment priorities was approved on Feb. 18 by the House Military Affairs Committee by a vote of 23 to 2.

In its formal report to the House on Feb. 20, the Committee expressed the belief that "it would be injurious to the welfare of our country to have local draft boards feel that men with families can be freely inducted into the armed services."

This bill, sponsored by Representative Kilday (Dem., Tex.), is opposed by the Army as likely to make administration of the draft "very difficult" and to force the induction of "undesirables."

The legislation is regarded as an attempt to nullify the recent order of the War Manpower Commission that dependency is not a ground for draft deferment and that men in non-essential industries must shift to essential ones or face induction.

Under the Kilday bill, the following order of preference in induction would be established:

1. Single men with no dependents.
2. Single men with collateral dependents.
3. Married men with no children.
4. Married men with children.

The measure would not bar the induction of heads of families but does provide that so long as there are single and childless men not holding key posts in vital war in-

dustries are available, they must be called first.

Included in the measure are amendments designed to protect all present industrial and agricultural deferments and also one forbidding the induction of men by occupational groups.

The House Committee's report asserted that "many local boards throughout the country, due to confusion and difference of opinion in the construction of the rules and regulations adopted by the (Selective Service) Bureau have been inducting large numbers of men into the armed forces with little regard for the number of dependents, particularly in relation to men who are the heads of families."

The Committee held that enactment of the legislation would be "highly beneficial to the armed forces and aid much in the prosecution of the war, and at the same time maintain and preserve the institution of the American home, as well as alleviate to some extent the urgent and much needed demand for additional productive manpower on our home front."

Earnings, Employment At New Peaks

Earnings, hours, employment, man-hours and payrolls rose to new peaks in December, 1942, according to the National Industrial Conference Board's regular monthly survey of labor statistics in 25 manufacturing industries. The work week averaged more hours than in any other month since June, 1930.

The Board's announcement further said: "Hourly earnings at \$9.70 were 0.4% higher than in November, 11.8% above those a year before and 64.4% greater than in 1929."

"Hours per week advanced 1.1% to average 44.2. They were 6.3% more than in December, 1941, and only 8.5% less than in 1929."

"The average manufacturing worker was able to increase his weekly income from \$42.50 in November to \$42.99 in December or 19.2% above that of December, 1941. Since living costs rose only 8.4% in the 12 months, he was able to purchase 10.0% more commodities and services in December, 1942, than he could in the same month of 1941. The increase since 1929 is 49.3%."

"Principally because of expanded employment in December, 1942, 21.4% more man hours were worked than in the previous year and total payrolls rose to new peak levels, 36.4% above those of December, 1941. The index of man hours rose from 125.9 in November to 130.3 in December, and that of payrolls from 226.5 to 234.5."

"Despite the withdrawal of men from industry into the armed forces and the curtailment of production of nonwar items, total employment rose 14.4% during the first full year of wartime production. Total wage-rate increases for 1942 averaged for all workers would amount to approximately 4.0%."

"Overtime payments contributed substantially to the increase in average hourly earnings. If the same workers who had been employed in these industries in December, 1941, had remained in them at the close of last year, the increase in hourly earnings undoubtedly would have been greater: The employment of larger numbers of untrained, and consequently lower-paid, men and women served to reduce average earnings. This factor not only offset to some extent the effect of the wage-rate increases and overtime payments, but probably lowered the average incentive payments per worker."

President Writes "Post Dispatch" We Have Turned Corner

President Roosevelt said on Feb. 20, in a letter to the St. Louis "Post-Dispatch," that "after long months of preparation, of 'holding on,' we have now turned the corner in the war."

The President declared that "now that we are on the march toward ultimate victory, there is an important job of education to be done so that the tragedy of war will not come again." According to the United Press, Mr. Roosevelt's letter was published along with the first of a series of articles discussing the aims of the war and the peace to follow.

The President's letter, as reported in the United Press, follows:

"I want to take this opportunity to commend The St. Louis 'Post-Dispatch' for its interest in publishing a series of articles which discuss the aims and objectives for which the United States and the United Nations are fighting. There cannot be too much discussion of this kind, and there could not be a better time for it."

"This is particularly true because, after the long months of preparation, of 'holding on,' we have now turned the corner in the war. Our primary job in those early days was survival; we had to beat the aggressors back. Now that we are on the march toward ultimate victory, there is an important job of education to be done so that the tragedy of war will not come again. We are fighting for freedom—not only for ourselves but for all people everywhere."

"Very sincerely yours,
"Franklin D. Roosevelt."

Dies Committee Continued

The House on Feb. 18 voted \$75,000 to finance the special committee investigating un-American activities. The group, which is headed by Representative Dies (Dem., Tex.), was given a two-year extension by the House on Feb. 10 by a vote of 302 to 94.

The roll-call vote to finance continuation of the inquiry was announced as 278 to 94.

The renewal of the Committee's life on Feb. 10 was the fifth since its creation in May, 1938. The Committee's four-and-one-half-year investigation into subversive activities has cost approximately \$500,000. In this time it has amassed 14,000 pages of official proceedings—11,000 printed pages of testimony and 3,000 pages of reports. Chairman Dies defended the Committee's record as being of invaluable aid to the Government.

Four members of the Committee continue to serve on the group; they are Chairman Dies, Representative Starnes of Alabama, Mason of Illinois and Thomas of New Jersey. New members are Representatives Courtney of Tennessee, Costello of California, Eberharter of Pennsylvania and Mundt of South Dakota.

Johnston Of U. S. Chamber Tours Latin America

Eric A. Johnston, President of the U. S. Chamber of Commerce, told members of the Brazilian Commercial Association at Rio de Janeiro on Feb. 18 that the end of the war would remove the threat of invasion of Brazil from Africa. Speaking at a luncheon tendered him by the organization, Mr. Johnston said he had been charged by President Roosevelt to transmit the following message:

"The eventual peace treaty will remove permanently all possibility of the threat of invasion of Brazil from Africa by any power."

Mr. Johnston left Washington on Feb. 12 for a tour of six South

American countries, planning to visit, as Chairman of the U. S. Commission of Inter-American Development, Brazil, Argentina, Uruguay, Chile, Peru and Colombia.

Before his departure he conferred with President Roosevelt. At that time Mr. Johnston was quoted as saying in a Washington dispatch to the New York "Times":

"The progressive business leadership of the United States believes that through cooperation with the Latin-American nations in their economic development the whole plane of Americanism can be elevated to a much higher scale, both in the North and South of the hemisphere."

It was also stated that Mr. Johnston is accompanied by William F. MacHold of the Office of Inter-American Affairs and by members of the staff of the United States Chamber of Commerce.

At Buenos Aires, Argentina, on Feb. 24 Mr. Johnston visited Foreign Minister Enrique Ruiz Guinazu after arriving from Montevideo, Uruguay.

New York Savings Bank Life Insurance System Shows Large Growth

Substantial growth in the Savings Bank Life Insurance System this past year was indicated in a report made by Judge Edward A. Richards, President of the Savings Banks Life Insurance Fund, at a meeting of the trustees of the fund in New York City on Feb. 25. Assets of the 26 New York State mutual savings banks now operating life insurance departments increased from \$1,189,687 as of Dec. 31, 1941, to \$1,787,332 on Dec. 31, 1942. Forty-five percent of the entire assets of the Savings Bank Life Insurance System are invested in Government bonds.

The announcement bearing on the report further said:

"The legal reserve of the system as of Dec. 31, 1942, was \$1,151,146 as compared with \$655,540 as of Dec. 31, 1941, an increase of 75%."

"Mortality for the system in 1942 was the lowest for any of the four years since the inception of this plan of life insurance. Death claims amounted to \$27,458, only 11.4% of "expected" mortality, according to the American Experience Mortality Table.

"Interest earned on invested funds stands at 3.18% for 1942, as against 3.04% for 1941."

"Volume of new issues for 1942 was \$9,800,000, showing an increase over any previous year in spite of war conditions which have tended to slow down the issuance of life insurance generally."

N. Y. Stock Exchange Borrowings Higher

The New York Stock Exchange announced on March 4 that the total of money borrowed as reported by Stock Exchange member firms as of the close of business Feb. 27 was \$355,635,204, an increase of \$24,511,370 over the Jan. 30 total of \$331,123,834.

The following is the Stock Exchange's announcement:

"The total of money borrowed from banks, trust companies and other lenders in the United States, excluding borrowings from other members of national securities exchanges reported by NYSE member firms as of the close of business Feb. 27, 1943, aggregated \$355,635,204."

"The total of money borrowed, compiled on the same basis, as of the close of business Jan. 30, 1943, was \$331,123,834."

Lend-Lease Shipments To Russia Increasing

Edward R. Stettinius Jr., Lend-Lease Administrator, announced on Feb. 19 that since the beginning of the Soviet aid program the United States has shipped more than 2,900,000 tons of war supplies to the Soviet Union.

Lend-Lease shipments of war supplies to the Soviet Union in January, Mr. Stettinius said, were almost 10% greater than in the previous month.

The Administrator's statement continued:

"The great majority of the supplies that we have shipped to Russia are reaching their destinations. In December, 1942, and January, 1943, there were no losses, although further losses in later months are to be expected.

"Two thirds of all shipments to the Soviet Union from the United States have been made in American ships.

"The Soviet Army continues to sustain its great offensives principally with Russian-produced weapons. Lend-Lease supplies have played a small but important part. American tanks, planes and trucks, are continuing to go forward. In addition we have sent to the Soviet Union many other vital military supplies. For example, we have sent hundreds of thousands of miles of field telephone wire which have been of major importance in the maintenance of Soviet Army communications on the 3,000-mile Russian front. We have shipped a considerable amount of steel, which Soviet factories have made into Russian tanks, and chemicals, which they have used in the manufacture of Russian bombs and high-explosive shells that are now ripping apart the Nazi lines.

"January shipments of food to Russia were one-fifth larger than in December. This food is urgently needed by the Soviet Army. We sent many thousands of tons of wheat and flour, sugar, canned pork, dried beans and other vegetables, lard and vegetable fats. We have so far been able to send only very small amounts of butter, which the Russians have requested especially for their wounded soldiers in military hospitals. In January butter shipments amounted to 682 tons. This was the equivalent of less than one-sixth of an ounce from each man, woman and child in the United States.

"We shall continue to make every effort to increase the flow of Lend-Lease supplies for Russia to greater proportions."

A report on Lend-Lease shipments to Russia up to Jan. 1 was given in our issue of Feb. 4, page 499.

Policy On 'War Jobs' Defined By McNutt

"A war job does not mean merely a job in aircraft or ships, ordnance, or ammunition," Paul V. McNutt, Chairman of the War Manpower Commission, pointed out on Feb. 10 in his comments regarding the list of non-deferable occupations and activities which he recently issued.

"People must be housed and clothed and fed in war-time as well as in peace," Mr. McNutt said. Essential civilian activities are on an equal plane with basic war industries in our war effort. Registrants engaging in such essential civilian activities as agriculture, food processing, mining, textiles, transportation, communications, heating power and educational services are equally protected with respect to occupational classification and dependency status as those engaged in basic war industries.

The announcement from the WMC further said:

"Mr. McNutt issued his statement after a request to define the

term 'war jobs' which had been repeatedly used in public discussion of the new policy regarding non-deferable occupations and activities. He said that men of military age currently employed in such occupations and activities should not now leave their jobs merely because the occupation appears on the non-deferable list.

"Mr. McNutt emphasized that the transfer is expected to take place in an orderly manner. He urged such men to register at the local employment office of the War Manpower Commission in order that the most effective placement of our man power in the war program might be assured.

"Local Selective Service Boards are instructed not to reclassify registrants in accordance with the new policy on non-deferable occupations and activities until April 1 and not to induct such registrants who are presently deferred because of dependency until 30 days have elapsed following registration in an employment office for transfer to an essential activity.

"Mr. McNutt further pointed out that the failure to include a specific activity in the list of essential activities does not mean that the non-deferable occupations and activities policy is applied to such an activity. Many occupations occurring in activities not included in the list of essential activities involve skills which are extremely important in the war program."

The non-deferable occupational policy was referred to in these columns on Feb. 11, page 579.

Midland Bank (London) Profits For Year 1942

The directors of the Midland Bank, Ltd. (head office London), report that, full provision having been made for all bad and doubtful debts and for contingencies, the net profits for the year ended Dec. 31, 1942, amounted to £1,997,131 18s. 4d., to which has been added the balance of £626,681 8d. brought forward from the last account, making together a total sum of £2,623,812 12s., out of which the following appropriations have been made: To interim dividend paid July 15, last, for the half-year ended June 30, 1942, at the rate of 8% actual less income tax at 10s. 0d., £606,344 16s. 9d.; to contingent account for war damage reserve fund £500,000, and to reserve for future contingencies, £250,000, leaving the sum of £1,267,468 2s. 3d., from which the directors recommended a dividend, payable Feb. 1, 1943, for the half-year ended Dec. 31, last, at the rate of 8% actual, less income tax, calling for £606,344 16s. 9d., leaving a balance of £661,123 5s. 6d. to be carried forward to the next account.

The Midland Bank, Ltd., and its four affiliated companies—the Belfast, Clydesdale and North of Scotland Banks and the Midland Bank Executor and Trustee Co.—in its consolidated statement of liabilities and assets as of Dec. 31, 1942, shows total assets of £907,018,350, as compared with £830,454,998 on Dec. 31, 1941, and £701,888,282 on Dec. 31, 1940. Current deposit and other accounts in the latest statement are reported at £851,786,582, as compared with £775,862,987 and £650,734,470 on the earlier dates. The bank's paid-up capital is listed at £15,158,621, the same as in the two previous year-end statements, but the reserve fund is now £12,910,609, as against £12,410,609 on the two previous year-ends.

Deposits of the Midland Bank, Ltd., on Dec. 31, 1942, totaling £760,094,994, are, it is announced, the largest ever recorded by any joint stock bank in the British Empire.

In a statement presented at the annual shareholders' meeting in January (in lieu of the speech usually delivered), the Chairman, R. McKenna, said, in part:

"The profit and loss account shows that, after allowing for income tax and N.D.C., there is a net profit for the year of £1,997,000—a small increase on the amount for 1941. In comparing these figures with those for pre-war years it must be remembered that any expansion in our gross trading income resulting from the greater total of assets is heavily counterbalanced by increased expenses; on staff alone, for example, we spend over £6 millions a year. Further, we have suffered a severe loss of income from the curtailment of the volume of business in such services as foreign exchange operations, acceptances and guarantees, and stock exchange transactions on behalf of customers. In the disposal of the profit now recorded we propose that the final, like the interim, dividend shall be at the same rate as for some years past, namely 16% per annum, subject to tax. These distributions absorb £1,213,000. In view of the absence of any further serious war damage, we think it unnecessary to make an allocation on this account; but to add to the strength of our position in face of the manifold uncertainties of the future, we have applied £250,000 to reserve for future contingencies. The other appropriation is more noteworthy. For many years until 1931 the reserve fund, shown in the balance sheet, stood at an amount equal to the paid-up capital; but, partly in view of the heavy depreciation of investments which took place in that year, we wrote roughly £2¼ millions off the fund. We feel the time has now come for partial restoration, and for that purpose we have set aside £500,000 out of last year's profit. This leaves the balance carried forward on the profit and loss account somewhat higher on the year.

"Our affiliated undertakings are able to present a record of continued good service to the public despite the difficulties which each, in its sphere, shares with our own bank."

No Funds For Farm 'Incentive Payments'

A House Appropriations subcommittee voted 6 to 1 on Feb. 15 to turn down President Roosevelt's request for \$100,000,000 for the Agriculture Department's "incentive payment" program.

Following this move, Secretary of Agriculture Wickard issued a statement expressing regret but appeared hopeful that action on the payment would be reversed. However, he added, the Department will not reduce its goals and farmers were asked to meet them "regardless of the uncertainties now prevailing."

The President requested the funds on Feb. 11 to encourage farmers to increase their production in 1943 of peanuts, soybeans, flax, potatoes, dried beans, truck crops, grain sorghums and sweet potatoes.

In submitting the request to the House, the Budget Bureau observed in a report:

"A recent review of the food situation indicated the necessity of increasing the 1943 goals in these commodities.

"In order to provide farmers with the incentives necessary to encourage them to reach or exceed the increased goals, it appears necessary either to raise general price levels for these crops or to make specific provision for offsetting the higher costs of the additional units of production.

"It is proposed that the increased costs of the additional production should be provided for through the use of direct incentive payments."

An item regarding this program and criticism of it appeared in these columns Feb. 11, page 589.

Post-War Planning Is Favored By Public, NAM Survey Finds

Those who say "let's not talk about post-war problems until we have won the war," are out of step with the American public, according to a survey conducted by the Psychological Corporation and released Feb. 14 by the National Association of Manufacturers.

To keep American industry informed about what the public is thinking, the National Association of Manufacturers makes constant use of accredited organizations for surveying public opinion on questions and issues affecting industry. According to the Board, the Psychological Corporation poll, reflecting proportionate opinion of all wage groups and all sections of the country, shows an overwhelming majority of 92% favoring immediate planning for the post-war era. Only 6% are opposed and 2% undecided. The Board further says:

"The public also is convinced that industry should be working now to develop new and better products, 75% voting 'yes' to this question and only 13% dissenting. On the question of whether the government should now plan a vast public works program for the post-war period, the majority in favor decreases to 61% with 24% opposed.

"On questions pertaining to post-war government controls, there are sharp divisions of opinion. A big majority of 82% is for discontinuation of rationing, such items as fuel and food after the war, but opinion is virtually divided down the middle on whether control of prices should be continued. The public voted 51% to 37% against post-war continuation of wage and salary control.

Private management of business received a vote of confidence on the question: "Do you think that business companies will do a better job if they are allowed to keep on under their own management, or if the government takes them over and runs them completely?"

Excluding the 19% answering "don't know," the vote in favor of business management was almost 5 to 1—67% of those questioned answering "yes" and 14% answering "no."

Business also appears to be more than holding its own on the question of "more or less control" by government. 47% of the people want less control of business by the government; 30% want more. These figures represent a rise of 1% in those favoring less control and a decline of 8% in those wanting more control when this question was asked in October, 1941. The difference is found in the "don't know" column, which rose from 16% to 23%.

Expenses And Income In 1942 For N. Y. Curb

The New York Curb Exchange and its affiliates, New York Curb Exchange Realty Associates, Inc. and New York Curb Exchange Securities Clearing Corporation, showed an excess of expenses over income for 1942 of \$81,121, the Exchange announced on Feb. 23. This figure includes depreciation of \$101,681. In 1941 expenses exceeded income by \$55,871. The net loss for the year, after write-offs and adjustments, was \$105,003 as against \$93,461 in the preceding year. Write-offs included \$14,469, the Exchange's share of the cost of retiring 29 memberships (the last of 50 planned for retirement in July, 1941); \$9,723 for depreciation of general equipment; provision for insurance reserve of \$1,698; and uncollectible membership dues and retirements of \$249. This latter figure it is pointed out by the Curb is contrastingly lower

when compared with \$6,287 in 1941.

The Curb's announcement further said:

"Before depreciation of \$101,681 and amortization of telephone equipment in the amount of \$4,695, the Exchange showed an operating profit for 1942 of \$25,255 as against \$57,312 in the preceding year.

"Total income for 1942 was \$770,344, \$151,513 less than in 1941. Receipts from dues were off \$29,753 to \$375,759 because of the reduction in standing number of regular memberships from 550 to 499. The Securities Clearing Corporation earned \$98,137, a drop of \$74,669, and telephone quotation service charge fell off \$12,668 to \$46,463. Rent revenue was improved by \$31,486 over last year's (1941) total from that source of \$78,169. Listing fees fell off \$19,898 to \$10,823, and ticker royalties totaled \$14,648, \$5,812 below that for 1941.

"To cope with reduced revenue, the Exchange effected a reduction in expenses of \$126,263. Salaries were off \$59,568 to \$400,711. In this connection, there was a 100% turnover in personnel, and all but 45 of the 198 employees who left the Exchange during the year were replaced. Legal expenses dropped \$12,796 to \$28,255, building repair and supply costs were \$11,121 below \$33,193 for 1941, stationery and printing charges were \$8,148 less, and a \$5,809 savings was accomplished in tax payments which were \$130,505 in 1941.

"Current assets at the end of 1942 were \$695,804, of which \$667,846 was in cash. In addition, the Exchange holds \$100,000 of U. S. Treasury Certificates which bear interest at the rate of 7/8 of 1%. At the end of 1941 current assets were \$798,462, of which \$747,832 was in cash.

"Current liabilities were \$11,044, exclusive of \$17,728 in City improvement assessments which is being paid under a protest now pending. The change in liabilities from 1941 is negligible, being but \$103 greater.

"Net equity of the 499 regular memberships at the end of 1942 was \$4,592,368, or \$9,203 for each seat, as against \$4,697,371, or \$8,880 at the end of 1941 when there were 529 regular memberships. Recent seat sales have been at \$2,500, the highest since February, 1941."

Strikes In Dec. And 1942

Man-days lost from war production by strikes in December maintained November's low level of 3/100 of 1% of total man-days worked, just half the twelve-month average of 6/100 of 1%, the National War Labor Board reported on Feb. 7 and added:

While the number of man-days rose from 91,925 in November to 119,572 in December, the number of days worked rose at the same time from 350 million to approximately 385 million. The number of men involved in war production strikes in progress in December was 49,375, and the number of strikes in progress during the month was 101.

Six man-days were lost in 1942 for every ten thousand days worked. Out of 3,339,000,000 days worked, 2,095,294 days were lost in strikes. There were 1,363 strikes in war industries in progress during the year, involving 569,801 men.

Man-days of idleness due to strikes during the first year of war were one-fourth the average for the preceding five years of peace. The monthly average for the 1937-1941 period was 1,418,896 man-days lost in all industry, compared to an average in 1942 of 380,417 days lost per month in all industry and 174,608 days lost per month in war industry.

Factory Worker Wage Gains Outstrip Increased Living Costs, Survey Reveals

The average factory worker has improved his living standard—his purchasing power in goods and services—41.4% in more than three years of war despite the steady rise in living costs, according to an analysis of "real" wages released Feb. 26 by the National Association of Manufacturers.

This analysis is part of a complete survey, "The Effect of the War on Income, Wages and Living Costs," made by the Statistical Department of the Association. The study covers the period from August, 1939 when war broke out in Europe, through November, 1942. Eight charts and many statistical tables are included in the 30-page survey. It is pointed out that it should be borne in mind constantly, that the percentages, particularly with respect to cost of living increases during the period are on a national basis and may not reflect the actual rate of increase in an individual community or area.

Explaining that "the relationship between actual earnings and the cost of living is best expressed in an index figure known as 'real' wages," the survey states:

"Real wages, either weekly or hourly, are derived by dividing wages by the index of the cost of living. In this way the purchasing power of wages can be determined with respect to a given base period. The indexes of 'real' wages reveal that the purchasing power of factory workers since August, 1939 has actually been increased in spite of the rise in the cost of living.

"Real" weekly earnings have increased 41.4% while "real" hourly earnings have increased 16.7%. These figures mean that the average factory worker can purchase 41.4% more in goods and services as a result of his work than he could in August, 1939."

The Board notes that the trend in wages and hours of work, revealed in detail in the numerous charts and tables, is shown only in manufacturing industries because complete figures are not available for most of the other industries. The survey states:

"In August, 1939—the month before the European war broke out—average hourly earnings in manufacturing were 63 cents. Average hourly wages began to rise early in 1940 and by December, 1940, the average hourly wage was 68 cents. Still further rises have been registered in 1941 and 1942 so that by November, 1942, the latest available figure, average hourly earnings in manufacturing were 90 cents.

"It should be noted that these figures are not basic hourly wage rates. They are the average hourly earnings in manufacturing industries and are determined by dividing the Bureau of Labor Statistics' reports of weekly earnings by the number of hours worked. Therefore, the average hourly earnings include over-time payments, as well as increases in the basic hourly wage rates.

"From August, 1939 to August, 1942, the average weekly earnings in manufacturing increased from \$24.52 to \$39.54. The increase in the average weekly 'take-home' earnings is due in part to the longer work-week and over-time payments, as well as to increases in the basic wage rates. In August, 1939, factory workers averaged 38 hours of work per week.

"The work week has steadily increased throughout the entire period until in November, 1942 the average work week in manufacturing was 44 hours. Since over-time rates began at 40 hours, it was clear that the increased earnings are in large part due to over-time payments. In certain industries the work week is far above the average. For example, in the machine tool industry the average work week is 52.8 hours. On the other hand,

ocean. For wherever our fighting men are—all over the world—the American Red Cross is by their side, extending always the arm of helpfulness and comfort.

"At home, we have grown accustomed to the role of the Red Cross in every national emergency, in every local catastrophe—a generous friend to those overtaken by tragedy. Even our enemies know about the American Red Cross, because it has never let international boundaries act as the limits of its mercy.

"The American Red Cross begins today the greatest single crusade of mercy in all history. It is undertaking a task unprecedented—because this war is unprecedented. We undertake this greatest of all Red Cross crusades in the name of mercy—now that we are engaged in a war to decide whether all our concepts of mercy and human decency are strong enough to survive.

"In the Axis nations mercy and decency are regarded as synonyms for weakness and decadence.

"In our land it is from our great tradition of mercy that we take part of our strength.

"Each one of you who has a friend or relative in uniform will measure the significance of this crusade in your own heart. You—at your house today—know better than any one else what it means to be sure that the Red Cross stands at the side of our soldiers or sailors or marines wherever they may be. All of us—130,000,000—know how indispensable to victory is the work of this great agency which goes on every minute of every day—everywhere on earth where it is needed.

"By proclamation, I have designated the month of March as Red Cross Month. To make sure that every American boy on every fighting front has everything he needs which the Red Cross can supply it will require at least \$125,000,000.

"That is all that we need to know—we will not fail."

Navy Fund Bill Passed By House

The House passed on Feb. 23 a \$1,256,607,000 authorization bill for construction of Naval shore establishments, of which \$720,000,000 would be used for advance bases.

The measure was sent to the Senate on a 373-to-0 recorded vote. Included in the bill was a clause written in by the House Naval Affairs Committee requiring Secretary of the Navy Knox to report to the House and Senate Naval Committees prior to acquiring land under the authorization.

Representative Maas (Rep., Minn.), who was in charge of the bill, told the House that the Naval Affairs group had furthermore received assurance from Secretary Knox that no purchases of land for Naval air stations would be made without consultation with the Committee.

The House Naval Affairs Committee, in considering the Navy Department's request for funds, had reduced the amount of the authorization by \$243,393,000, including a \$223,313,000 item for "miscellaneous and unforeseen facilities."

Among the facilities provided for by the authorization are the following:

Fleet, \$67,900,000; aviation, \$223,000,000; storage, \$65,000,000; Marine training, \$23,632,000; Navy personnel training and housing, \$33,120,000; hospitals, \$66,005,000; shore radio, \$3,500,000; Naval Research Laboratory, \$750,000; miscellaneous structures, \$33,000,000, and passive defense, \$15,000,000.

Fear Point Rationing System May Force Small Concerns Out Of Business

A recent report by the House Committee on Small Business expressed concern as to the possible effect which the point-rationing system would have on retail grocers, many of whom, it said, might be forced out of business. The Committee, headed by Representative Patman (Democrat) of Texas, stated that "the inauguration of any such system may prove to be the proverbial last straw and that the proprietors of tens of thousands of food stores may yield to despair and close their doors."

The Committee, it is also indicated, questioned whether the need for general food rationing has been established and recommended an investigation of the Lend-Lease Administration to determine its effect on civilian supplies. In its report, made public Feb. 15, the Committee, according to the Associated Press, commented that "the war effort on the production front as a whole still lacks to an alarming degree efficient coordination," and asserted small business faces extinction because of lack of sympathetic consideration in the war program.

The same advice stated that the Committee reported that it had received testimony presenting "a shocking picture of bureaucratic buck-passing, incompetent and listless administration . . . on the part of certain interests to protect their companies at the expense of the war effort."

From the Associated Press advice we also quote:

"The Committee urged that the Smaller War Plants Corp., an arm of the WPB, be reorganized to give 'competent management' and take prime contracts for war materials of simple construction and for essential civilian supplies and sublet the contracts to small concerns.

"Other recommendations included:

"Immediate action by Government agencies to assure the production of adequate food supplies; with classification of the processing and distribution of food as 'essential war industries.'

"Equitable distribution of available food supplies among large and small distributors.

"Investigation of the Lend-Lease Administration to determine its effect on United States civilian supplies.

"Revision of OPA policies to permit the passing on of price increases to all levels of distribution; to guarantee 'a reasonable net profit' over operating costs, and to prevent compulsory changes in business practices and cost practices.

"Suspension of the WPB 'concentration of industry program' and provision for fair compensation to owners of business forced to close.

"Draft deferment of enough automobile mechanics to keep 'essential civilian cars and trucks rolling.'

"The Committee observed: 'There seems to have been over-emphasis on production for military use and under-emphasis on production for civilian use. . . . There are appearing ominous signs that insufficient attention is being given to the maintenance of a proper volume of essential civilian production.'

"The War Manpower Commission 'does not appear to have afforded business . . . any substantial relief from a critical condition caused by indiscriminate drafting of men for the armed services,' it continued. 'The structure of the Office of Price Administration is incapable of dealing effectively with the problem of controlling price inflation.'

Multilith Workers Are Needed In Federal Jobs

To meet war needs for multilith cameramen-plate makers and press operators for Federal agencies, the United States Civil Service Commission has modified requirements in order to secure appli-

cants. Women are being placed in multilith work, says the advice from the Commission, which also states:

"Positions now pay \$1,970 a year for cameraman-plate maker, and \$1,752 a year for press operator—an increase over previous salaries because of compensation for overtime.

"For cameraman-plate maker, one year of paid experience in multilith work is qualifying, provided six months of it was in the photographic and platemaking phases of the multilith process. This work must have included the operation of a copying camera, development of negatives, sensitizing of multilith plates, transfer of prints from negatives to plates, and preparation of plates for use in the multilith machine.

"Training may qualify for press operator—80 hours of instruction, including not less than 50 hours in actual operation of a multilith press. Persons may also qualify for press operator positions by having at least three months of paid experience in the operation of a multilith press.

"Applicants must be 16 years or over—no maximum age limit. No written test is required. Applications, available at first- and second-class post offices, the Commission's regional offices, or the Commission in Washington, D. C., should be sent to the Commission's Washington office. War workers now utilizing their highest skills, or prohibited from change of employment by War Manpower Commission restrictions, should not apply."

\$6 Billion Deficiency Bill Voted By House

The House passed on Feb. 26 a \$6,298,000,000 deficiency appropriation bill, chiefly for merchant ship construction. The cuts made by the Appropriations Committee in funds for the National Resources Planning Board, the War Manpower Commission and the Labor Department's Children's Bureau were not restored.

The Committee had refused \$200,000 requested by the National Resources Planning Board, headed by Frederic A. Delano, the President's uncle.

\$2,454,000 which Paul V. McNutt had proclaimed is essential if the War Manpower Commission is to discharge its duties.

\$337,000 asked by Secretary of Labor Frances Perkins for work in curbing absenteeism in war factories and improving working conditions.

On the ground that there was no enabling legislation for the appropriations, the Committee had also declined requests for \$2,973,000 for payments to States for care of children of employed mothers; \$3,182,000 for payments on costs of the high school victory corps, and \$1,200,000 for emergency grants for maternity and infant care in enlisted men's families.

Of the total in the bill, \$6,173,719,545 was earmarked for continuance of the Maritime Commission's program calling for construction of 4,403 ships with a total of 44,000,000 deadweight tons.

Moody's Bond Prices And Bond Yield Averages

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

MOODY'S BOND PRICES†
(Based on Average Yields)

Table with columns: 1943—Daily Averages, U.S. Govt. Bonds, Ave. Corporate rate, Corporate by Ratings (Aaa, Aa, A, Baa), Corporate by Groups (R.R., P.U., Indus.). Rows include dates from Mar 9 to Mar 8, 1941.

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

Table with columns: 1943—Daily Averages, U.S. Govt. Bonds, Ave. Corporate rate, Corporate by Ratings (Aaa, Aa, A, Baa), Corporate by Groups (R.R., P.U., Indus.). Rows include dates from Mar 9 to Mar 8, 1941.

*These prices are computed from average yields on the basis of one "typical" bond (3 1/4% 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.

Moody's Common Stock Yields

Yearly average yields in the years 1929 to 1941 inclusive and monthly average yields for 1941 will be found on page 2218 of the June 11, 1942 issue of the "Chronicle."

MOODY'S WEIGHTED AVERAGE YIELD ON 200 COMMON STOCKS

Table with columns: Month, Industrials (125), Railroads (25), Utilities (25), Banks (15), Insurance (10), Average Yield (200). Rows include months from February 1942 to February 1943.

Steel Operations Again Rise—Record Plate Output Expected In March—Orders Heavier

"The all-out effort to eliminate critical shortages of aircraft steel holds promise of succeeding, says 'The Iron Age' in its issue of today (March 11), which further adds in part as follows:

"At least two months recently have been clipped off the time required from the start of raw materials for aircraft until the finished plane flies away. If all goes well, about 95% of all aircraft steel melting schedules will be fixed firmly by the first of each month, with the remainder left open for Aircraft Scheduling Unit emergency orders.

"Meanwhile, shortages of alloy steels are forcing more and more substitutions in fields other than aircraft. The Tank-Automotive Center at Detroit, for example, has devised a system to expedite substitutes when a manufacturer finds it impossible to obtain the desired alloy steel. Examination of captured German tanks shows that the Nazis have also been making many substitutions and using armor which consists simply of heat treated carbon steels.

small amount of new equipment available in recent months has been distributed poorly.

"Steelmaking facilities: brought into operation during the latter half of 1942 have added 269,330 tons to Pittsburgh's open hearth capacity and 93,860 tons to its electric furnace capacity. Chicago, second largest steel producing district, made the largest tonnage gains, 403,000 tons of additional open hearth and 170,140 tons of electric furnace capacity. Canton-Massillon, first with respect to electric steel, added facilities for 32,080 additional tons. Open hearth capacity in the Youngstown district has increased by 115,400 tons. Open hearth and electric steel capacity in the Cincinnati area has decreased by 34,010 and 2,500 tons, respectively, putting that district down one notch to 11th place.

"The three main centers retain their respective positions as far as total ingot output is concerned with Pittsburgh first, accounting for 22.75% of national capacity; Chicago, second, representing almost 20%; and the Youngstown district third, with 14%.

"With allotment numbers and delivery orders without allotment numbers steadily increasing as steel users swing over to the Controlled Materials Plan, confusion has been created in some divisions of the steel industry. The allotment numbers take precedence over ordinary priority ratings. Alloy steel sellers report that certain customers have allotment numbers for April but cannot be placed on mill schedules for April as schedules are closed. Schedule makers are perplexed by the lack of allotments from consumers known to be vital to the war effort. Steel companies have no way of knowing whether an order under CMP represents the total three months' tonnage allowed customers or just one-third of it."

The American Iron and Steel Institute on March 8 announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 91% of the steel capacity of the industry will be 99.1% of capacity for the week beginning March 8, compared with 98.2% one week ago, 98.1% one month ago and 97.4% one year ago. This represents an increase of 0.9 point or 0.9% from the preceding week. The operating rate for the week beginning March 8 is equivalent to 1,716,100 tons of steel ingots and castings, compared to 1,700,500 tons one week ago, and 1,654,500 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, stated in part as follows: "Evolution of the Controlled Materials Plan is proceeding and orders bearing its numbers are increasing. Considerable confusion continues in making out orders under the plan, expected to be clarified by issuance of Regulation No. 7 and revision of Regulation No. 1.

"Steelmakers express satisfaction with the plan as it develops, seeing in its application a better balance in bookings, avoidance of the unwieldy backlogs formerly accumulated and more efficient use of equipment and labor.

"Plate mills are being called on for increasingly large tonnage, shipbuilding being the main factor, with synthetic rubber and high-test gasoline plants adding materially. March is expected to set a new record in plate production.

extended. In the latter class directives control most tonnage.

"Pig iron distribution continues to meet requirements, and in some cases consumer inventories are slightly larger. Because of the tight situation several months ago many melters have reduced the number of analyses formerly required and are not returning to former practice as the situation loosens. In many cases there is less pressure for shipment of delinquent tonnages. Makers of machine tool castings are ahead of demand and are limiting production somewhat.

"Continued decline in fabricated steel production is shown in statistics of the American Institute of Steel Construction. Bookings in January fell to 57,865 net tons from 67,600 tons in December. In January, 1942, bookings were 183,387 tons. Shipments in January were 105,869 tons, compared with 145,280 in December and 167,753 tons in January, 1942.

"Consumption of steel and iron scrap in January is estimated by the Institute of Scrap Iron & Steel at 4,753,000 gross tons, fourth largest month in history. About 45% of this was purchased scrap. Salvage Division of WPB reports scrap collections in last half of 1942 were 95.7% of the 17,000,000-ton quota set for that period.

"In general, scrap supply is sufficient, though some pinch is encountered as a result of adverse weather and lack of yard manpower. In some instances melters are dipping into reserves to maintain high production.

"Steelmaking capacity was increased 1,098,140 net tons during last half of 1942, to 90,292,660 tons, nearly half the world's total. Since January, 1940, the industry has added facilities for 8,700,000 tons, equal to half Great Britain's. Pig iron capacity during the last half of last year was expanded to 63,933,530 tons. When the present program is completed the industry will be rated at close to 96,000,000 tons of steel and 69,000,000 of pig iron."

New V-Loan Drive To Start April 12

Secretary of the Treasury Morgenthau announced on March 1 that the Treasury's next major financing operation will begin on April 12.

While the amount which the Government will seek to borrow has not yet been definitely decided, Secretary Morgenthau reiterated his previous announcement that the goal will be at least \$13,000,000,000, the approximate amount raised in the first Victory Loan drive in December. He added that it will be the greatest financing campaign in the nation's history. Plans for the April drive have been under discussion for some time between Treasury officials, members of the Open Market Committee of the Federal Reserve System, and the Presidents of the Federal Reserve Banks.

In the first Victory Loan campaign the Treasury sought \$9,000,000,000 but raised a total of \$12,906,000,000 of "new money." These results were noted in our Jan. 28 issue, page 333.

While the Treasury's plan to borrow about \$13,000,000,000 would raise the debt beyond the existing limit of \$125,000,000,000, Secretary Morgenthau observed on Feb. 22 that "if we get this drive started I can't imagine Congress not getting together" on a bill to raise the debt ceiling. It was pointed out in Associated Press accounts from Washington on Feb. 22 that legislation to increase the debt limit to \$210,000,000,000 has been approved by the House Ways and Means Committee with a rider modifying President Roosevelt's executive order limiting salaries.

The Treasury reported the pub-

Wickard Asks Congress For Farm 'Mandate'

Secretary of Agriculture Wickard has asked Congress for a "clear mandate" program to assure maximum farm production in 1943.

Reiterating his opposition to increasing prices as a spur to production, Mr. Wickard told the House Agricultural Committee on Feb. 24 that the farm programs must include assurances that farmers' returns will cover the increased costs of extra production. "I take it for granted," Mr. Wickard said, "that almost every one feels that increased costs to farmers necessitate increased returns on many agricultural commodities during 1943." He went on to say:

"Now I want to state frankly that one way to enable farmers to receive the returns necessary to cover their costs would be by increasing prices. I do not believe, however, all things considered, that this is the preferable way.

"Substantial increases in farm prices would inevitably lead to increase in prices and costs all along the line, and might result in an inflation, which, in the long run, would be even more ruinous to farmers than to others."

The Secretary said that there are other ways of giving farmers increased returns. He outlined them as follows, according to the Associated Press:

(1) Government support of prices of all farm products needed in the war effort.

(2) A Government offer to purchase certain products—such as soy beans, peanuts, flaxseed, canned vegetables, sugar beets, and perhaps others—and resell them to processors and distributors at prices in line with Office of Price Administration price ceilings.

(3) An offer to farmers of incentive payments on needed war crops in order to enable the producers to meet increased costs without raising consumer prices.

Lumber Movement—Week Ended Feb. 27, 1943

According to the National Lumber Manufacturers Association, lumber shipments of 440 mills reporting to the National Lumber Trade Barometer exceeded production by 15.8% for the week ended Feb. 27, 1943. In the same week new orders of these mills were 23.7% greater than production. Unfilled order files in the reporting mills amounted to 88% of stocks. For reporting softwood mills, unfilled orders are equivalent to 39 days' production at the current rate, and gross stocks are equivalent to 41 days' production.

For the year to date, shipments of reporting identical mills exceeded production by 18.0%; orders by 22.7%.

Compared to the average corresponding week of 1935-39, production of reporting mills was 29.9% greater; shipments were 28.4% greater, and orders were 49.6% greater.

Moody's Daily Commodity Index

Table with columns: Date, Index Value. Rows include dates from Tuesday, March 2 to Low, Jan. 2, 1943.

lic debt was \$113,160,159,954 on Feb. 19. This amount did not include \$4,290,592,118 in guaranteed obligations not subject to the debt ceiling.

Weekly Coal And Coke Production Statistics

The Bituminous Coal Division, U. S. Department of the Interior, in its latest report, states that the total production of soft coal in the week ended Feb. 27, is estimated at 12,680,000 net tons, an increase of 520,000 tons, or 4.3%, over the preceding week. This is the highest figure recorded since the week ended March 26, 1927, when production amounted to 13,320,000 tons. Output of bituminous coal in the week ended Feb. 28, 1942, totaled 11,452,000 tons. For the current year to date, soft coal production was 2.8% 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. 27, 1943 was estimated at 1,278,000 tons, an increase of 145,000 tons (12.8%) over the preceding week. When compared with the output in the corresponding week of 1942, there was a decrease of 17,000 tons, or 1.3%.

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. 27 showed an increase of 3,200 tons when compared with the output for the week ended Feb. 20. The quantity of coke from beehive ovens increased 12,500 tons during the same period.

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

	Week Ended			January 1 to Date		
	Feb. 27 1943	Feb. 20 1943	Feb. 28 1942	Feb. 27 1943	Feb. 28 1942	Feb. 27 1942
Total incl. mine fuel	12,680	12,160	11,452	96,049	93,406	84,099
Daily average	2,113	2,027	1,909	1,960	1,868	1,702
Crude Petroleum—						
Coal equivalent of weekly output	6,204	6,206	6,432	51,430	56,037	42,994

*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. 27 1943	Feb. 20 1943	Feb. 28 1942	Feb. 27 1943	Feb. 28 1942	Mar. 2 1929
Penn. anthracite	1,278,000	1,133,000	1,295,000	9,406,000	9,304,000	13,866,000
Commercial production	1,227,000	1,088,000	1,243,000	9,030,000	8,932,000	12,868,000
Beehive coke—						
United States total	163,200	150,700	156,800	1,281,600	1,256,700	1,032,700
By-product coke—						
United States total	1,225,200	1,222,000	1,160,000	10,079,000	9,891,500	†

*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

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

State	Week Ended			Feb. 20 1943		
	Feb. 20 1943	Feb. 13 1943	Feb. 21 1942	Feb. 22 1943	Feb. 20 1942	Feb. 1923
Alabama	6	6	5	3	2	2
Alaska	390	389	347	344	300	409
Arkansas and Oklahoma	107	108	68	70	58	87
Colorado	171	186	180	167	182	231
Georgia and North Carolina	1	1	1	1	1	1
Illinois	1,493	1,435	1,369	1,303	1,466	1,993
Indiana	503	505	527	508	502	613
Iowa	65	66	77	73	136	174
Kansas and Missouri	194	205	173	169	201	136
Kentucky—Eastern	998	947	768	869	722	174
Kentucky—Western	322	317	278	241	224	226
Maryland	35	38	38	36	40	51
Michigan	6	8	10	7	18	26
Montana (bituminous and lignite)	112	105	70	64	79	80
New Mexico	40	37	23	27	44	58
North and South Dakota (lignite)	72	64	65	66	84	**37
Ohio	718	748	646	581	624	694
Pennsylvania (bituminous)	2,696	2,880	2,761	2,662	2,811	3,087
Tennessee	155	145	142	148	118	127
Texas (bituminous and lignite)	6	5	5	7	16	23
Utah	139	129	88	100	119	96
Virginia	425	406	349	350	284	212
Washington	45	42	48	34	61	77
*West Virginia—Southern	2,340	2,260	1,956	1,968	2,038	1,127
*West Virginia—Northern	917	961	833	719	700	673
Wyoming	203	205	143	123	160	156
†Other Western States	1	2	1	1	††	**7
Total bituminous and lignite	12,160	12,200	10,971	10,641	10,990	10,956
‡Pennsylvania anthracite	1,133	1,337	1,159	983	832	1,902
Total all coal	13,293	13,537	12,130	11,624	11,822	12,858

*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.

Statutory Debt Limitation As Of Feb. 28, 1943

The Treasury Department made public on March 4 its monthly report showing the face amount of public debt obligations issued under the Second Liberty Bond Act (as amended) outstanding on Feb. 28, 1943, totaled \$116,840,396,655, thus leaving the face amount of obligations which may be issued subject to the \$125,000,000,000 statutory debt limitation at \$8,159,603,345. In another table in the report, the Treasury indicates that from the total face amount of outstanding public debt obligations (\$116,840,396,655) should be deducted \$3,891,581,357 (the unearned discount on savings bonds), reducing the total to \$112,948,815,298. However, to this latter figure should be added \$1,074,873,497 (other public debt obligations outstanding but not subject to the statutory limitation). Thus the total gross public debt outstanding as of Feb. 28, 1943 was \$114,023,688,795.

The following is the Treasury's report for Feb. 28:

Statutory Debt Limitation as of Feb. 28, 1943

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act, "shall not exceed in the aggregate \$125,000,000,000 outstanding at any one time."

The following table shows the face amount of obligations out-

standing and the face amount which can still be issued under this limitation:

Total face amount that may be outstanding at any one time	\$125,000,000,000
Outstanding as of Feb. 28, 1943:	
Interest-bearing:	
Bonds—	
Treasury	\$49,273,464,150
*Savings (maturity value)	20,959,053,850
Depository	144,186,000
Adjusted service	723,800,207
Treasury notes	22,154,476,350
Certificates of indebtedness	15,059,710,000
Treasury bills (maturity val.)	8,231,895,000
	45,446,081,350
Matured obligations, on which interest has ceased	\$116,546,585,557
Bearing no interest (U. S. War Savings stamps)	69,454,850
	224,356,248
	116,840,396,655
Face amount of obligations issuable under above authority	\$8,159,603,345

RECONCILEMENT WITH STATEMENT OF THE PUBLIC DEBT

FEBRUARY 28, 1943

(On the basis of Daily Treasury Statements)

Total face amount of outstanding public debt obligations issued under authority of the Second Liberty Bond Act, as amended	\$116,840,396,655
Deduct unearned discount on Savings bonds (difference between maturity value and current redemption value)	3,891,581,357
	112,948,815,298
Add other public debt obligations outstanding but not subject to the statutory limitation:	
Interest-bearing (Pre-War, etc.)	195,960,420
Matured obligations on which interest has ceased	10,290,275
Bearing no interest	868,622,802
	1,074,873,497
Total gross public debt outstanding Feb. 28, 1943	\$114,023,688,795

*Approximate maturity value. Principal amount (current redemption value) according to statements of the public debt on the basis of Daily Treasury Statements \$17,067,472,493.

Electric Output For Week Ended Mar. 6, 1943 Shows 16.3% 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 March 6, 1943, was approximately 3,946,630,000 kwh., compared with 3,392,121,000 kwh. in the corresponding week last year, an increase of 16.3%. The output for the week ended Feb. 27, 1943, was 14.2% in excess of the similar period of 1942.

PERCENTAGE INCREASE OVER PREVIOUS YEAR

Major Geographical Divisions—	Mar. 6	Feb. 27	Feb. 20	Feb. 13
New England	3.6	4.5	4.6	6.0
Middle Atlantic	11.3	8.4	9.2	8.6
Central Industrial	15.0	11.8	13.1	12.4
West Central	20.1	12.8	13.7	13.0
Southern States	11.9	17.7	19.7	19.3
Rocky Mountain	30.6	9.4	14.8	14.2
Pacific Coast	31.0	30.8	30.8	32.2
Total United States	16.3	14.2	15.3	15.1

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Week Ended—	% Change				
	1942	1941	over 1941	1940	1932
Dec 5	3,883,534	3,414,844	+13.7	2,975,704	1,518,922
Dec 12	3,937,524	3,475,919	+13.3	3,003,543	1,563,384
Dec 19	3,975,873	3,495,140	+13.8	3,052,419	1,554,473
Dec 26	3,655,926	3,234,128	+13.0	2,757,259	1,414,710

% Change 1943

Week Ended—	% Change				
	1943	1942	over 1942	1941	1932
Jan 2	3,779,993	3,288,685	+14.9	2,845,727	1,619,265
Jan 9	3,952,587	3,472,579	+13.8	3,002,454	1,602,482
Jan 16	3,952,479	3,450,468	+14.5	3,012,638	1,598,201
Jan 23	3,974,202	3,440,163	+15.5	2,996,155	1,588,987
Jan 30	3,976,844	3,468,193	+14.7	2,994,047	1,588,853
Feb 6	3,960,242	3,474,638	+14.0	2,989,392	1,578,817
Feb 13	3,939,708	3,421,639	+15.1	2,976,478	1,545,459
Feb 20	3,948,749	3,423,593	+15.3	2,985,585	1,512,158
Feb 27	3,892,796	3,409,907	+14.2	2,993,253	1,519,679
Mar 6	3,946,630	3,392,121	+16.3	3,004,639	1,538,452
Mar 13	3,357,444	3,357,444		2,983,591	1,537,747
Mar 20	3,357,032	3,357,032		2,983,048	1,514,553
Mar 27	3,345,502	3,345,502		2,975,407	1,480,208

Thousands Of Man Days Spent Answering Govt. Questionnaires, Executives Report

According to the National Industrial Conference Board, a majority of industrial concerns from which the Division of Industrial Economics of the Board has obtained specific data on the subject spent over 1,000 man days each in 1942 answering questionnaires and filing reports required by the Government. Half of these firms found it necessary to devote 5,000 or more man days to this work, the Board reports. The highest figure reported was 18,000 man days. The Board further states that many other executives consulted by the Board in the course of a special inquiry just completed were unable to provide exact figures but were emphatic in their assertions that this paper work was and is very burdensome. These figures, the Board says, do not for the most part take into account the time devoted to such tasks by top executives, auditors and legal staffs.

In making these facts known, the Board points out, moreover, that the majority of business executives found that no appreciable decline has occurred in the volume of paper work since the beginning of the year. In fact, some reported that the trend has

departments as a result of the "wage-freezing order and renegotiation."

From the Board's announcement we also quote:

"The Office of Price Administration was most frequently mentioned as a Government agency which appeared to be asking for information in a volume disproportionate to its immediate interest in an individual company's field of production. Annual and quarterly financial forms, cost data and price-ceiling lists asked by OPA were among the reports often said to be extremely burdensome. Other reports in this same category were material redistribution surveys, inventories of excess and inactive stocks, analyses of unfilled orders and shipments by special end-use classification, the ODT daily truck mileage report and the various payroll deduction reports."

Discussing the possible means of relief as seen by business men, the Board adds:

"Numerous executives believe that formation of a central department or clearing house to pass on all requests for information and to which all agencies would have to come for information would greatly lessen the burden of paper work. It was asserted that the requirement that questionnaires must be approved by the Bureau of the Budget has proved constructive. More nearly complete control of that type was recommended. It was also suggested that the trend toward simplification of the reports should be accelerated. A plea was also made for elimination of legal phraseology and for more specific instruction.

"It was further advanced that reports and questions should be so formulated that they could be answered or filled out from records normally kept by businesses and that reports ought to be more specifically adapted to conditions in the industry involved. In that connection, it was suggested that industry advisory committees could be very helpful. Consolidation of numerous reports into one report wherever possible was recommended. Reference frequently was made to the possibility of a single report for all payroll deductions."

OWI Director Davis To Broadcast War News

Elmer Davis, Director of the Office of War Information, will begin a series of weekly 15-minute broadcasts on March 12. The series will be broadcast over the NBC, CBS and Blue networks each Friday evening from 10:45 to 11:00 p.m. (EWT). They will be rebroadcast each Saturday at 4:00 p.m. over the network of the Mutual Broadcasting Co.

In announcing the broadcasts, Mr. Davis laid down three rules which he will follow:

1. The broadcasts will not carry news which has not already been available to the press and radio.
2. The broadcast will be factual and will attempt to summarize and clarify important war developments in order to promote clear understanding of the nation's wartime problems.
3. Every effort will be made to make each broadcast responsive to the questions uppermost in the minds of the public.

Mr. Davis stated that he receives many letters each week from people who write that they want someone in the Government to sum up each week what is being done and why—and how it affects each individual. Recently a group of important radio-station operators informed the Office of War Information that people in their communities were eager to get a clarification of important issues of the war such as Mr. Davis might make.

Daily Average Crude Oil Production For Week Ended Feb. 27, 1943 Declined 1,250 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Feb. 27, 1943 was 2,873,050 barrels, a decrease of 1,250 barrels from the preceding week.

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 3,709,000 barrels of crude oil daily and produced 10,566,000 barrels of gasoline; 4,230,000 barrels of distillate fuel oil, and 7,839,000 barrels of residual fuel oil during the week ended Feb. 27, 1943.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

Table with columns: State, P.A.W. Recommendations, State Allowables, Actual Production, Change From Previous Week, 4 Weeks Ended, Week Ended. Rows include Oklahoma, Kansas, Nebraska, Panhandle Texas, North Texas, West Texas, East Central Texas, East Texas, Southwest Texas, Coastal Texas, Total Texas, North Louisiana, Coastal Louisiana, Total Louisiana, Arkansas, Mississippi, Illinois, Indiana, Eastern (not incl. Ill. & Ind.), Michigan, Wyoming, Montana, Colorado, New Mexico, Total east of Calif., California, Total United States.

*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.

†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.

‡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. 27, 1943

(Figures in Thousands of barrels of 42 Gallons Each)

Table with columns: District, Daily Refining Capacity, Potential Rate, Crude Runs to Still, Production of Gasoline, Stocks of Gasoline, Stocks of Gas Oil, Stocks of Residual Fuel Oil. Rows include District, Total U. S. B. of M. basis Feb. 27, 1943, Total U. S. B. of M. basis Feb. 20, 1943, U. S. Bur. of Mines basis Feb. 28, 1942.

*At the request of the Petroleum Administration for War. †Finished, 82,887,000 barrels; unfinished, 10,270,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 4,230,000 barrels of gas oil and distillate fuel and 7,839,000 barrels of residual fuel oil produced in the week ended Feb. 27, 1943.

Civil Engineering Construction \$85,809,000

Civil engineering construction volume for the week, \$85,809,000, is 41% below the total for the corresponding 1942 week, but is above the \$54,646,000 reported for the holiday-shortened preceding week.

The current week's total brings 1943 construction to \$618,877,000, an average of \$68,764,000 for each of the nine weeks of the year. On the weekly average basis, the 1943 total is 51% below that re-

ported for the ten-week period in 1942. Private construction, \$57,410,000, is 55% lower, and public work, \$561,467,000, is down 51% when adjusted for the difference in the number of weeks reported.

Civil engineering construction volumes for the 1942 week, the short preceding week, and the current week are:

Table with columns: Mar. 5, 1942 (five days), Feb. 25, 1943 (four days), Mar. 4, 1943 (five days). Rows include Total Construction, Private Construction, Public Construction, State and Municipal, Federal.

In the classified construction groups, gains over last week are in waterworks, sewerage, commercial buildings, public buildings, earthwork and drainage, streets and roads and unclassified construction. Increases over the 1942 week are in sewerage, bridges, earthwork and drainage, and unclassified construction.

New capital for construction purposes for the week, \$13,500,000, tops the total for the corresponding week in 1942 by 267%. It is made up entirely of State and municipal bond sales.

New construction financing for the year to date, \$29,039,000, compares with \$1,376,140,000 reported for the ten-week period a year ago.

January Hotel Sales Higher

In their March bulletin, Horwath & Horwath, New York public accountants, report that the increase in total sales was the same in January as in December, 28%, the improvement in rooms being less—23% compared with 29 last month—while that in the restaurant was more—31% compared with 28. The bulletin adds:

"An outstanding point this month is that New York City, which has been lagging behind the others, pulled up considerably, its total gain of 26% equalling that of the miscellaneous group, 'All Others.' The New York pick-up in room business actually exceeded by 2 points the average for the whole country, whereas in December it was 11 points less than the average; its occupancy at 86% is a record high for this city, comparing with 78% in December and 73% last January, and it also had a notable rise of 6% in room rate."

JANUARY, 1943, COMPARED WITH JANUARY, 1942

Table with columns: Sales, Increase or Decrease, Occupancy, Room Rate. Rows include New York City, Chicago, Philadelphia, Washington, Cleveland, Detroit, Pacific Coast, Texas, All others, Total.

†The term "rates" wherever used refers to the average sales per occupied room and not to scheduled rates. *Rooms and restaurant only.

February Department Store Sales

The Board of Governors of the Federal Reserve System announced on March 4 that the value of department store sales increased sharply from January to February and the Board's seasonally adjusted index rose to a new high level of 165% of the 1923-25 average, as compared with the previous peak of 143 reached in January.

INDEX OF DEPARTMENT STORE SALES* (1923-25 AVERAGE=100)

Table with columns: Feb. 1943, Jan. 1943, Dec. 1942, Feb. 1942. Rows include Adjusted for seasonal variation, Without seasonal adjustment, Federal Reserve District, Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, San Francisco, U. S. total.

WEEKLY INDEX, WITHOUT SEASONAL ADJUSTMENT (1935-39 AVERAGE=100)

Table with columns: 1943, 1942. Rows include Jan. 30, Feb. 6, Feb. 13, Feb. 20, Feb. 27.

*Revised. †Not shown separately but included in United States total. ‡Monthly indexes refer to daily average sales in calendar month; February, 1943, figures estimated from weekly sales.

New Rubber Agency

The Reconstruction Finance Corp. has set up a new agency known as the Rubber Development Corp. to give financial aid in development and acquisition of natural rubber from foreign sources, principally Latin America. Secretary of Commerce Jesse H. Jones disclosed this on Feb. 21

in a letter to William M. Jeffers, Rubber Director, who had requested that the new corporation be created. The new unit is separate from the Rubber Reserve Co. which is handling the synthetic rubber program.

Heading the Rubber Development Corp. will be Douglas H. Allen.

Nelson Gives Wilson Full Control Of WPB

Full responsibility for all phases of war production was given to Charles E. Wilson, Executive Vice-Chairman of the War Production Board, on Feb. 18 in an administrative order issued by Chairman Donald M. Nelson.

Mr. Nelson's directive not only gave the Executive Vice-Chairman the power to direct and supervise all WPB operating units but also the authority to appoint their personnel, to establish their internal organization and to define their functions and responsibilities.

Under the sweeping order, Mr. Wilson is made subject only to the policies and directions of the Chairman. He is also to act as chairman in Mr. Nelson's absence and is authorized to delegate his functions to any officials and in any manner which he may determine.

Mr. Wilson was given full jurisdiction over the production program with the resignation of WPB Vice-Chairman Ferdinand Eberstadt, who had control of the flow of materials; this was reported in our issue of Feb. 18, page 649.

Wheat Marketing Quotas Suspended As War Measure

Secretary of Agriculture Claude R. Wickard on Feb. 23 suspended wheat marketing quotas in a new move to insure adequate food and feed supplies for the Nation's war effort. The Secretary's action, the announcement stated, taken under the authority of the emergency provisions of the Agriculture Adjustment Act, lifts marketing quotas for the remainder of the 1942-43 marketing year and for 1943-44, and releases at once for feed or market any wheat which has been stored off the market because of the quota.

At the same time, the Secretary announced that wheat farmers who in 1943 meet 90% of their farm war crop goals will be eligible for AAA wheat payments and wheat loans even though they exceed their wheat allotments. This provision, it was pointed out, will enable wheat farmers, in areas where other crops are not so successfully grown, to increase their wheat production. The Secretary urged wheat farmers, however, to maintain careful farming practices so as not to jeopardize future wheat crops. He recalled the wind and water erosion and resultant low yields that have followed excessive acreage increases in the past. Secretary Wickard also said:

"With three good wheat years behind us, our wheat supplies at the present time are the largest in our history. In view of the tremendous increase in the number of livestock, however, additional feed reserves are a safeguard for the future.

"We entered the present marketing year with a total wheat supply of 1,613,000,000 bushels. At the same time, this year, wheat consumption, including moderate exports, promises to be the largest since 1920. And it must be remembered that in 1920 our gross exports totaled 369,000,000 bushels.

"Livestock feeding has accounted for the bulk of the current increase in wheat consumption. With some increase expected in the quantity used for food, and substantial quantities being used for alcohol production, our total domestic consumption is expected to be the largest in history."

The 1942-43 marketing quota was made effective following a referendum of wheat growers May 2, 1942, and the 1943-44 quota was proclaimed Aug. 6, 1942. The 1943-44 quota referendum which was to have been held this spring is cancelled by this announcement.

Market Value Of Stocks On New York Stock Exchange Higher On Feb. 27

The New York Stock Exchange announced on March 5 that as of the close of business Feb. 27, there were 1,241 stock issues, aggregating 1,470,238,525 shares listed on the Stock Exchange, with a total market value of \$43,538,661,753. This compares with 1,240 stock issues, aggregating 1,470,369,538 shares, with a total market value of \$41,410,585,043, on Jan. 30, 1943, and with 1,234 stock issues, aggregating 1,467,001,959 shares, with a total market value of \$35,234,173,432 on Feb. 28, 1942.

In making public the figures for Feb. 27, the Exchange's announcement further said:

"As of the close of business Feb. 27, New York Stock Exchange member total net borrowings amounted to \$355,635,204. The ratio of these member borrowings to the market value of all listed stocks on that date, was therefore, 0.82%. As the above figure includes all types of member borrowings, these ratios will ordinarily exceed the precise relationship between borrowings on listed shares and their total market value."

In the following table listed stocks are classified by leading industrial groups with the aggregate market value and average price for each:

Group	Feb. 27, 1943		Jan. 30, 1943	
	Market Value	Average Price	Market Value	Average Price
Amusement.....	348,449,378	17.97	348,165,032	16.43
Automobile.....	3,632,226,130	30.30	3,408,478,894	28.43
Aviation.....	626,177,430	18.12	587,815,428	17.01
Building.....	512,412,021	24.96	481,609,370	22.61
Business & office equipment.....	352,014,254	29.84	335,632,788	28.46
Chemical.....	5,880,150,680	61.69	5,737,762,160	60.22
Electrical equipment.....	1,512,586,634	37.67	1,457,325,498	36.30
Farm machinery.....	703,776,814	53.71	661,872,781	50.51
Financial.....	872,596,093	17.25	821,582,313	16.24
Food.....	2,781,516,049	23.79	2,689,695,695	28.81
Garment.....	42,753,183	25.55	41,423,097	24.75
Land & realty.....	24,771,911	5.10	20,272,750	4.17
Leather.....	211,586,344	25.16	199,323,630	23.70
Machinery & metals.....	1,518,747,183	22.20	1,447,769,259	21.14
Mining (excluding iron).....	1,414,724,115	24.08	1,363,412,678	23.23
Paper & publishing.....	418,451,297	18.56	384,155,555	17.04
Petroleum.....	5,132,113,161	26.68	4,765,858,188	24.83
Railroad.....	3,318,622,055	29.14	3,051,314,709	26.79
Retail merchandising.....	2,125,248,714	29.16	2,076,660,475	28.49
Rubber.....	456,125,929	43.17	437,253,303	41.38
Ship building & operating.....	106,938,152	22.44	100,756,997	21.14
Shipping services.....	10,504,002	6.14	9,297,851	5.39
Steel, iron & coke.....	2,119,758,312	42.33	2,035,846,382	40.65
Textiles.....	415,603,830	29.55	401,609,810	28.56
Tobacco.....	1,147,891,019	42.86	1,149,550,402	42.92
Utilities:				
Gas & electric (operating).....	1,907,855,976	20.26	1,834,217,063	19.82
Gas & electric (holding).....	877,810,347	9.16	806,495,798	8.42
Communications.....	3,284,087,941	78.54	3,029,485,511	72.45
Miscellaneous.....	88,645,902	12.08	86,916,890	11.85
U. S. companies oper. abroad.....	636,883,368	18.77	623,740,683	18.38
Foreign companies.....	897,112,913	22.17	898,027,477	22.19
Miscellaneous businesses.....	124,440,616	21.20	117,256,576	19.98
All Listed Stocks.....	43,538,661,753	29.61	41,410,585,043	28.16

We give below a compilation of the total market value and the average price of stocks listed on the Exchange:

Year	Market Value	Average Price	Year	Market Value	Average Price
1940—			1942—		
Oct. 31.....	42,673,890,518	29.38	Jan. 31.....	36,228,397,999	24.70
Nov. 30.....	41,848,246,961	28.72	Feb. 28.....	35,234,173,432	24.02
Dec. 31.....	41,890,646,959	28.80	Mar. 31.....	32,844,183,750	22.36
1941—			Apr. 30.....	31,449,206,904	21.41
Jan. 31.....	40,279,504,457	27.68	May 29.....	32,913,725,225	22.40
Feb. 28.....	39,398,228,749	27.08	June 30.....	33,419,047,743	22.73
Mar. 31.....	39,696,269,155	27.24	July 31.....	34,443,805,606	23.49
Apr. 30.....	37,710,958,708	25.78	Aug. 31.....	34,871,607,323	23.70
May 31.....	37,815,306,034	25.84	Sept. 30.....	35,604,809,453	24.20
June 30.....	39,607,838,569	27.07	Oct. 31.....	37,727,599,526	25.65
July 31.....	41,654,256,215	28.46	Nov. 30.....	37,374,462,460	25.41
Aug. 30.....	41,472,032,904	28.32	Dec. 31.....	38,811,728,666	26.39
Sept. 30.....	40,984,419,434	28.02	1943—		
Oct. 31.....	39,057,023,174	26.66	Jan. 30.....	41,410,585,043	28.16
Nov. 29.....	37,882,316,239	25.87	Feb. 27.....	43,538,661,753	29.61
Dec. 31.....	35,785,946,533	24.46			

Non-Ferrous Metals—Use Of Domestic Silver Restricted In Non-Essentials—Lead Sales Up

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 March 4, stated: "The conservation order limiting the use of silver in non-essential products was amended February 25 to include domestic as well as foreign metal. Demand for domestic silver has expanded steadily in recent months, even though the price level is substantially higher than that obtaining for foreign silver. OPA has issued a warning on tungsten ore prices to stabilize conditions in that important war metal. Interest in lead for April shipment is increasing. Conditions surrounding copper and zinc remain unchanged." The publication further went on to say in part:

Copper

The Copper Division of WPB is working on a plan that is expected to result in simultaneous release of information on or before the 15th of each month on allocations to both the brass and wire mills. Such action, the industry holds, would facilitate handling instructions for moving the metal promptly. The price situation in copper was unchanged last week; domestic consumers obtaining metal on the basis of 12¢, Valley. Foreign copper is coming into the country on the basis of 11.75¢, f.a.s.

Up to Jan. 1, 1943, Russia obtained 87,000 tons of copper and brass in Lend-Lease shipment, Edward R. Stettinius, Jr., Lend-

Lease Administrator, told the Foreign Relations Committee of the Senate last week.

Lead

March requirements of consumers are about 75% covered, according to trade estimates, and buying for April is now getting under way. Sales of common lead for the last week involved more tonnage than in the week previous.

Producers believe that consumption of lead will increase moderately from now on, because of the broader outlet for various lead products permitted under the regulations on use.

Zinc

All of the zinc being produced in this country is not being allocated, indicating that WPB is accumulating some metal against emergency needs. Concern about the concentrate situation continues as the chief problem of the

industry. This was the subject discussed at the recent meeting of the zinc group held in Washington.

Correction—In announcing the additional premium payments for mine output of lead and zinc (see "Chronicle" of March 4), Metals Reserve stated that it will not effect any settlement with producers "in the event of termination of the premium payment program prior to July 31, 1943." The correct date is July 31, 1945.

Tin

Production of electrolytic tinplate is due to increase from now on, thereby reducing the quantity of tin consumed in this important industry. The electrolytic process results in a saving of more than one-half the quantity of tin required to coat the plate.

The price situation in tin continues unchanged. "Grade A" or Straits quality metal for shipment is quotable as follows:

	March	April	May
February 25.....	52,000	52,000	52,000
February 26.....	52,000	52,000	52,000
February 27.....	52,000	52,000	52,000
March 1.....	52,000	52,000	52,000
March 2.....	52,000	52,000	52,000
March 3.....	52,000	52,000	52,000

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

Tungsten Ore

Last week, OPA called attention to its approval of the following prices for tungsten ore as sold by Metals Reserve Co. to consumers:

Wolframite and ferberite, \$24 per unit of WO₃ for ores of standard grade; scheelite and huebnerite, \$25. The prices are f.o.b. New York, plus a 10¢ per unit handling fee.

Quicksilver

The supply situation in quicksilver in this country is generally viewed as comfortable, notwithstanding heavy war demands. Temporary changes in the rate of production here are offset as market factors by fairly liberal importations. Quotations in New York continued at \$196 @ \$198 per flask, covering prompt and nearby delivery.

Silver

Restrictions on the use of domestic silver in the manufacture of non-essential civilian products were established by WPB on Feb. 25 in an amendment to Conservation Order M-199, which has previously regulated use of foreign silver. Demand for domestic silver in so-called non-essentials has expanded greatly in the last three months and the order was amended in anticipation of increased consumption of the metal in the war program.

The order restricts the purchase, receipt, and manufacture of domestic silver, except to fill orders bearing a preference rating of A-1-a or higher, in the period between Feb. 25, 1943, and April 1, 1943, and in any calendar month thereafter until further notice, to not more than 1/24th of the aggregate amount by weight of all silver put into process for restricted uses during the calendar year 1941 or the calendar year 1942, whichever is greater. Allowances are made in the order for scrap and waste.

Exemption is provided in the silver order for small manufacturing firms that cannot be converted to war production. A small manufacturer is one who in 1941 had gross sales below \$25,000, and in 1942 not in excess of \$35,000.

Among articles on the restricted silver list to which the quota provisions apply are silverware, watch cases and jewelry, badges and insignia, slide fasteners, hooks and eyes, buttons and snaps, closures for containers, pens (except nibs and tubes) and pencils, toilet sets, picture frames, musical instruments, unnecessary electroplating and silverclad metal, insulated wire for electrical conductors, and church

Automobile Financing And Diversified Financing For Month Of January

In January 1943, the number of new passenger cars financed by sales finance companies was off slightly (3%) from the number in December of last year, according to an announcement released on March 5 by J. C. Capt, Director of the Census. The dollar volume of paper acquired in this type of financing remained at approximately the same level as in December. There were 11% less of used passenger cars financed, and a 12% decrease in the dollar volume of paper acquired. Compared with the preceding month, the number of new commercial cars financed was 14% more than in December and the dollar volume of paper acquired, 30%. The number of used commercial cars financed increased 7%, while the dollar volume of paper acquired rose 14%.

Retail automotive outstandings held by sales finance companies, continuing the decline long in evidence, showed a 15% decrease in volume as of Jan. 31, 1943, compared with Dec. 31, 1942.

Wholesale paper acquired in January 1943, for new passenger and new commercial cars was off 9% in volume from the preceding month; but for used passenger and used commercial cars, there was a gain of 11%. The volume of outstanding balances for this type of paper lost 5% from Dec. 31, 1942 to Jan. 31, 1943.

For January 1943, against December 1942, retail diversified financing showed the usual seasonal declines in the financing of furniture (14%), industrial, commercial, and farm equipment (28%), refrigerators (30%), other household appliances (32%), radios and other musical instruments (59%) and residential building repair and modernization (70%). In wholesale diversified financing, the volume of paper acquired was down 26% from December to January.

The volume of outstanding balances as of Jan. 31, 1943 for the retail financing of other consumers' goods decreased 8%; for the financing of industrial, commercial, and farm equipment, 2%; and for wholesale diversified financing (other than automotive), 17%.

The ratios of the paper acquired during January, 1943 to the outstanding balances as of Jan. 31, 1943 were 3% for retail automotive, 3% for wholesale automotive, 6% for wholesale—other than automotive, 3% for retail—other consumers' goods, and 6% for industrial, commercial, and farm equipment.

These data on the current trends of sales financing during January 1943, were based on reports from 234 sales finance companies, and the dollar volumes should not be assumed to represent the total amount of financing by all sales finance companies in the United States. The data are published as reported without adjustment for seasonal or price fluctuations. The figures presented in tables below are not comparable to those published for previous months, since monthly reports have not been received each month from identical sales finance companies. All indexes for January were obtained by calculating the percent changes from December to January, as shown by data on reports for both months from the same sales finance companies, and by linking these percentages to the indexes previously derived for December, 1942.

AUTOMOTIVE AND DIVERSIFIED FINANCING

Volume of Paper Acquired During January, 1943, and Balances Outstanding January 31, 1943

Class of Paper—	Volume of paper acquired during January, 1943			Ratio of paper acquired to outstanding balances
	By all companies	reporting outstanding balances Jan. 31, 1943	Outstanding balances Jan. 31, 1943	
Total retail automotive.....	\$9,061,116	\$8,697,634	\$257,513,552	3
Total wholesale automotive.....	5,608,165	5,533,984	171,819,781	3
Total wholesale—other than automotive.....	106,031	90,081	1,466,976	6
Total retail—other consum. goods.....	3,849,204	3,738,690	139,904,448	3
Industrial, commercial and farm equipment.....	368,153	358,943	5,675,131	6
Total sales financings.....	\$18,992,669	\$18,419,332	\$576,379,888	3

†Data are based on figures from sales finance companies able to report both their paper acquired and their outstanding balances.
‡Ratios obtained by dividing paper acquired (column 2) by outstanding balances (column 3).

AUTOMOTIVE FINANCING *

Class of Paper—	Number of Cars Financed and Volume of Paper Acquired During January, 1943		Paper acquired	
	Number	% of total	Dollar Volume	% of total
Total retail automotive.....	21,258	100	\$8,929,800	100
New passenger cars.....	1,165	5	1,022,885	12
New commercial cars.....	79	1	95,524	1
Used passenger cars.....	19,159	90	7,338,607	82
Used commercial cars.....	855	4	472,784	5
Total wholesale automotive.....	---	---	\$4,840,662	100
New cars (passenger and commercial).....	---	---	3,024,232	62
Used cars (passenger and commercial).....	---	---	1,816,430	38

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

DIVERSIFIED FINANCING *

Class of Paper	Volume of Paper Acquired During January, 1943		% of total
	Dollar Volume	% of total	
Retail—other consumers' goods:			
Furniture.....	\$355,825	14	
Radios, pianos & other musical instruments.....	60,207	3	
Refrigerators (gas and electric).....	60,065	2	
Other household appliances.....	57,038	2	
Residential building repair and modernization.....	1,022,941	41	
Miscellaneous retail.....	483,646	19	
Total retail—other consumers' goods.....	\$2,039,722	81	
Total wholesale—other than automotive.....	106,031	4	
Industrial, commercial, and farm equipment.....	368,153	15	
Total diversified financing.....	\$2,513,906	100	

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

goods as defined in Order L-136. During the past week the silver market in London has been quiet, with the price unchanged at 23½¢. The New York Official and the Treasury prices are also unchanged at 44¼¢ and 35¢, respectively.

Daily Prices

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

Trading On New York Exchanges

The Securities and Exchange Commission made public March 6 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. 20, 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. 20 (in round-lot transactions) totaled 1,942,675 shares, which amount was 13.06% of total transactions on the Exchange of 7,438,990 shares. This compares with member trading during the week ended Feb. 13, of 1,688,815 shares or 14.18% of total trading of 5,956,270 shares. On the New York Curb Exchange, member trading during the week ended Feb. 20 amounted to 404,002 shares, or 12.33% of the total volume of that Exchange of 1,638,515 shares; during the Feb. 13 week trading for the account of Curb members of 267,065 shares was 11.17% of total trading of 1,195,065 shares.

The Commission made available the following data for the week ended Feb. 20:

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	458
1. Reports showing transactions as specialists.....	175	79
2. Reports showing other transactions initiated on the floor.....	193	45
3. Reports showing other transactions initiated off the floor.....	233	75
4. Reports showing no transactions.....	463	269

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 20, 1943		
	Total for week	% Per Cent
A. Total Round-Lot Sales:		
Short sales.....	122,360	
†Other sales.....	7,316,630	
Total sales.....	7,438,990	
B. Round-Lot Transactions for the Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases.....	501,430	
Short sales.....	60,080	
†Other sales.....	461,740	
Total sales.....	521,820	6.88
2. Other transactions initiated on the floor—		
Total purchases.....	266,290	
Short sales.....	14,700	
†Other sales.....	289,020	
Total sales.....	303,720	3.83
3. Other transactions initiated off the floor—		
Total purchases.....	173,495	
Short sales.....	16,700	
†Other sales.....	159,220	
Total sales.....	175,920	2.35
4. Total—		
Total purchases.....	941,215	
Short sales.....	91,480	
†Other sales.....	909,980	
Total sales.....	1,001,460	13.06

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

WEEK ENDED FEBRUARY 20, 1943		
	Total for week	% Per Cent
A. Total Round-Lot Sales:		
Short sales.....	6,140	
†Other sales.....	1,632,375	
Total sales.....	1,638,515	
B. Round-Lot Transactions for the Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases.....	103,017	
Short sales.....	3,990	
†Other sales.....	153,210	
Total sales.....	157,200	7.94
2. Other transactions initiated on the floor—		
Total purchases.....	32,185	
Short sales.....	550	
†Other sales.....	39,400	
Total sales.....	39,950	2.20
3. Other transactions initiated off the floor—		
Total purchases.....	23,950	
Short sales.....	100	
†Other sales.....	47,600	
Total sales.....	47,700	2.19
4. Total—		
Total purchases.....	159,152	
Short sales.....	4,640	
†Other sales.....	240,210	
Total sales.....	244,850	12.33
C. Odd-Lot Transactions for the Account of Specialists:		
Customers' short sales.....	129	
†Customers' other sales.....	41,227	
Total purchases.....	41,356	
Total sales.....	33,568	

*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. 27 Says Labor Dept.

The Bureau of Labor Statistics, U. S. Department of Labor, announced on March 4 that with continued advances in prices for farm products, largely grains, cotton, livestock, fruits and vegetables the Bureau's comprehensive index rose 0.3% during the last week of February to the highest level since January 1926, 102.7% of the 1926 average. There were few other changes in primary commodity markets.

The Bureau's announcement further stated:

"Farm Products and Foods"—With sharp gains in prices for cotton, most grains, calves, cows, hogs and potatoes, the farm products group index rose 1.0% during the week to a 22-year peak. Grains were up 0.9% led by an increase of 3.3% for rye. Prices for wheat and oats advanced more than 1%. Livestock and poultry rose 0.7% as a result of increases ranging from 0.5% for light hogs in the Chicago market to 3.4% for calves. Cotton prices advanced 1.8% and potatoes were up from about 1% in Portland, Oregon to over 12% in Chicago. Quotations were lower for steers and for eggs.

"Largely reflecting higher prices for fresh fruits and vegetables which moved sharply upward in anticipation of rationing of canned and dried products, average prices for foods in primary markets rose 0.3%. Increased prices were also reported for flour, oatmeal, and corn meal.

"As a result of higher prices for bran and middlings, average wholesale prices for cattle feed advanced 2.9%.

"Industrial Commodities"—Prices for industrial commodities were relatively steady. Quotations for coal continued to reflect higher production costs, and kerosene also advanced. Rosin advanced 1.2% during the week and turpentine dropped 1%.

The Bureau makes the following notation:

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

The following table shows index numbers for the principal groups of commodities for the past 3 weeks, for Jan. 30, 1943 and Feb. 28, 1942 and the percentage changes from a week ago, a month ago, and a year ago:

Commodity Groups—	(1926=100)				Percentage changes to Feb. 27, 1943 from			
	2-27 1943	2-20 1943	2-13 1943	1-30 1943	2-28 1942	2-20 1942	1-30 1942	2-28 1942
All commodities.....	102.7	102.4	102.1	101.8	96.8	+0.3	+0.9	+6.1
Farm products.....	121.2	120.0	118.6	117.7	102.0	+1.0	+3.0	+18.8
Foods.....	108.0	105.7	105.5	105.0	95.5	+0.3	+1.0	+11.0
Hides and leather products.....	118.4	118.4	118.4	118.4	116.3	0	0	+1.8
Textile products.....	96.8	96.8	96.8	96.8	94.9	0	0	+2.0
Fuel and lighting materials.....	80.7	80.5	80.4	80.1	78.4	+0.2	+0.7	+2.9
Metals and metal products.....	103.9	103.9	103.9	103.9	103.7	0	0	+0.2
Building materials.....	110.0	110.0	110.1	110.1	109.9	0	-0.1	+0.1
Chemicals and allied products.....	100.3	100.3	100.0	99.5	97.1	0	+0.8	+3.3
Furniture and furnishings.....	104.1	104.1	104.1	104.1	104.1	0	0	0
Miscellaneous commodities.....	90.9	90.7	90.6	90.5	89.1	+0.2	+0.4	+2.0
Raw materials.....	110.6	109.8	108.9	108.3	97.4	+0.7	+2.1	+13.6
Semimanufactured articles.....	92.8	92.8	92.7	92.5	91.9	0	+0.3	+1.0
Manufactured products.....	100.5	100.5	100.5	100.3	97.4	0	+0.2	+3.2
All commodities other than farm products.....	98.7	98.6	98.6	98.4	95.6	+0.1	+0.3	+3.2
All commodities other than farm products and foods.....	96.5	96.4	96.4	96.3	95.0	+0.1	+0.2	+1.6

*Preliminary.

National Fertilizer Ass'n Price Index Higher

The steadily rising trend of wholesale commodity prices, which had been temporarily halted last week, continued to rise this week, according to the price index compiled by The National Fertilizer Association and made public March 8. In the week ended March 6 this index stood at 135.5% of the 1935-1939 average. It registered 134.8 in the preceding week, 134.0 a month ago, and 123.7 a year ago. The Association's report continued as follows:

The increase in the general level was due to higher prices for farm products, foods, and some industrial commodities. The principal price changes during the week occurred in the farm products index, with 12 items included in the group advancing and only 1 declining. Grain prices were 3.2% higher than in the preceding week and 6.4% higher than a month ago. An upturn in the food index was the result of higher prices for eggs, flour, and potatoes. News roll and cattle feed prices were higher, causing an advance in the miscellaneous commodities index. A fractional advance was also registered by the building materials index. The textile price index fell off, due to declines in raw cotton. The price of denatured alcohol was lower, resulting in a small decline in the chemicals and drugs index.

During the week 18 price series included in the index advanced and 2 declined; in the preceding week there were 11 advances and 5 declines; in the second preceding week there were 17 advances and 1 decline.

WEEKLY WHOLESALE COMMODITY PRICE INDEX

Compiled by The National Fertilizer Association		[*1935-1939=100]			
% Each Group Bears to the Total Index	Group	Latest Week	Preceding Week	Month Ago	Year Ago
		Mar. 6 1943	Feb. 27 1943	Jan. 30 1943	Mar. 7 1942
25.3	Foods.....	137.4	137.0	137.8	122.3
	Fats and Oils.....	148.1	148.1	148.5	136.0
	Cottonseed Oil.....	159.0	159.0	159.0	159.0
23.0	Farm Products.....	155.6	153.4	150.9	133.4
	Cotton.....	199.0	199.8	194.6	183.6
	Grains.....	141.9	137.5	133.4	119.2
	Livestock.....	152.2	149.8	148.1	126.8
17.3	Fuels.....	121.7	121.7	120.0	113.3
10.8	Miscellaneous commodities.....	130.4	129.7	129.0	127.1
8.2	Textiles.....	151.1	151.2	150.4	146.8
7.1	Metals.....	104.4	104.4	104.4	104.4
6.1	Building materials.....	152.1	151.9	151.6	135.0
1.3	Chemicals and drugs.....	127.1	127.6	127.6	120.3
.3	Fertilizer materials.....	117.6	117.6	117.6	118.9
.3	Fertilizers.....	119.8	119.8	119.1	115.3
.3	Farm machinery.....	104.1	104.1	104.1	103.8
100.0	All groups combined.....	135.5	134.8	134.0	123.7

*Indexes on 1926-1928 base were March 6, 1943, 105.6; February 27, 105.0; March 7, 1942, 96.4. †Revised.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Mar. 6 a summary for the week ended Feb. 27 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. 27, 1943	
Odd-Lot Sales by Dealers: (Customers' Purchases).....	Total for Week 22,403
Number of Orders.....	658,311
Number of Shares.....	658,311
Dollar Value.....	20,682,965
Odd-Lot Purchases by Dealers: (Customers' Sales).....	
Number of Orders.....	147
Customers' short sales.....	19,843
Customers' other sales.....	19,990
Number of Shares.....	4,748
Customers' short sales.....	551,262
Customers' other sales.....	556,010
Dollar value.....	15,679,689
Round-Lot Sales by Dealers: (Customers' Purchases).....	
Number of Shares.....	350
Short sales.....	113,300
Other sales.....	113,650
Total sales.....	201,990
Round-Lot Purchases by Dealers: (Customers' Sales).....	
Number of Shares.....	201,990

*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."

Urban Rebuilding Called Vital In Post-War Plans

Senator Claude Pepper of Florida on Feb. 10 advocated carefully laid plans for the large-scale rebuilding of deteriorated city areas as a measure of post-war economy in an interview with officers of the Urban Land Institute. "We need broad planning for the post-war period," said Senator Pepper, "and a workable method for clearing out blighted city areas and rebuilding them for useful purposes should be a vital integral part of our post-war planning."

Senator Pepper is the author of S. J. Res. 22 which would establish a joint committee of Congress to study unemployment, relief problems, industrial dislocation, and other problems in our economy, trade, and fiscal affairs arising out of the war emergency. Representatives of the Urban Land Institute, who are interested in the adoption of Senator Pepper's resolution, were told that a special sub-committee to review the problems of urban redevelopment could be properly established within the proposed joint committee of Congress.

The measure submitted by Senator Pepper is a reintroduction of the bill known as S. J. R. 131 which received a favorable committee report in the last session of Congress.

FDR Urges 40% Cut In Use Of Government Cars

President Roosevelt on March 1 called for a 40% cut in mileage of all Government cars. He directed the Federal departments and agencies to appoint "mileage administrators" to organize and control the use of motor vehicles in an effort to effect the mileage cut.

Prentiss M. Brown, Price Administrator, said that the President had asked him to supervise the conservation plan and to coordinate the work of the departmental administrators.

The President urged that mileage administrators receive authority to supervise the use of all vehicles in the Federal service.

Revenue Freight Car Loadings During Week Ended Feb. 27, 1943 Amounted To 782,855 Cars

Loading of revenue freight for the week ended Feb. 27, 1943, totaled 782,855 cars, the Association of American Railroads announced on March 4. This was an increase above the corresponding week of 1942, of 996 cars or 0.1%, and an increase above the same week in 1941, of 26,185 cars or 3.5%.

Loading of revenue freight for the week of Feb. 27, increased 30,406 cars or 4.0% above the preceding week.

Miscellaneous freight loading totaled 374,386 cars, an increase of 17,422 cars above the preceding week, and an increase of 18,997 cars above the corresponding week in 1942.

Loading of merchandise less than carload lot freight totaled 93,767 cars, an increase of 3,459 cars above the preceding week, but a decrease of 49,775 cars below the corresponding week in 1942.

Coal loading amounted to 178,539 cars, an increase of 4,691 cars above the preceding week, and an increase of 16,057 cars above the corresponding week in 1942.

Grain and grain products loading totaled 50,651 cars, a decrease of 974 cars below the preceding week, but an increase of 13,300 cars above the corresponding week in 1942. In the Western Districts alone, grain and grain products loading for the week of Feb. 27 totaled 34,843 cars, a decrease of 1,225 cars below the preceding week, but an increase of 11,162 cars above the corresponding week in 1942.

Livestock loading amounted to 12,399 cars, a decrease of 751 cars below the preceding week, but an increase of 1,929 cars above the corresponding week in 1942. In the Western Districts alone, loading of livestock for the week of Feb. 27, totaled 9,148 cars, a decrease of 567 cars below the preceding week, but an increase of 1,710 cars above the corresponding week in 1942.

Forest products loading totaled 43,230 cars, an increase of 2,070 cars above the preceding week, but a decrease of 2,099 cars below the corresponding week in 1942.

Ore loading amounted to 14,654 cars, an increase of 3,552 cars above the preceding week and an increase of 1,801 cars above the corresponding week in 1942.

Coke loading amounted to 15,229 cars, an increase of 937 cars above the preceding week, and an increase of 786 cars above 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 and Northwestern.

	1943	1942	1941
5 weeks of January	3,530,849	3,858,479	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
Week of Feb. 27	782,855	781,859	756,670
Total	6,586,489	6,981,421	6,320,974

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Feb. 27, 1943. During this period only 60 roads showed increases when compared with the corresponding week last year.

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
Eastern District—					
Ann Arbor	321	581	580	1,511	1,662
Bangor & Aroostock	2,396	2,115	1,907	186	212
Boston & Maine	6,711	7,711	8,312	16,187	15,458
Chicago, Indianapolis & Louisville	1,316	1,406	1,313	2,237	2,257
Central Indiana	49	33	12	69	56
Central Vermont	884	1,341	1,358	2,306	2,024
Delaware & Hudson	6,210	6,704	6,307	13,406	11,616
Delaware, Lackawanna & Western	7,500	8,805	9,502	12,125	8,988
Detroit & Mackinac	242	262	239	103	171
Detroit, Toledo & Ironton	1,898	2,164	3,318	2,376	1,743
Detroit & Toledo Shore Line	305	284	437	3,795	4,275
Erle	12,393	13,828	14,662	19,928	15,810
Grand Trunk Western	3,654	4,326	5,704	9,590	8,831
Lehigh & Hudson River	170	199	157	3,939	3,692
Lehigh & New England	1,983	1,741	1,745	1,610	1,703
Lehigh Valley	7,728	9,166	9,634	12,119	10,067
Maine Central	2,555	3,550	3,592	4,363	4,098
Monongahela	6,498	6,383	5,492	420	399
Montour	2,325	1,862	2,122	28	20
New York Central Lines	47,303	46,878	47,851	58,541	54,555
N. Y., N. H. & Hartford	10,157	11,988	11,985	19,916	18,388
New York, Ontario & Western	1,058	1,044	1,130	2,559	2,446
New York, Chicago & St. Louis	7,397	7,140	5,786	16,527	15,721
N. Y., Susquehanna & Western	417	479	498	2,885	1,351
Pittsburgh & Lake Erie	7,848	8,830	8,196	8,424	7,141
Pers Marquette	4,872	4,817	6,468	8,134	6,858
Pittsburgh & Shawmut	704	595	650	13	32
Pittsburgh, Shawmut & North	350	414	430	296	309
Pittsburgh & West Virginia	843	808	745	4,412	2,017
Rutland	312	494	592	1,022	1,138
Wabash	5,419	5,545	6,298	13,133	11,410
Wheeling & Lake Erie	5,181	4,751	4,324	6,401	4,148
Total	156,999	166,044	171,345	248,561	218,596
Allegheny District—					
Akron, Canton & Youngstown	751	699	603	1,234	1,081
Baltimore & Ohio	38,825	39,983	38,633	29,106	23,612
Bessemer & Lake Erie	3,114	3,159	3,085	1,292	1,614
Buffalo Creek & Gauley	333	311	297	3	5
Cambria & Indiana	1,936	1,971	1,963	13	17
Central R. R. of New Jersey	6,729	7,932	7,295	20,471	17,782
Cornwall	562	654	529	66	65
Cumberland & Pennsylvania	258	342	328	13	10
Ligonier Valley	99	125	174	38	43
Long Island	930	849	897	4,132	3,244
Penn-Reading Seashore Lines	1,665	1,647	1,264	2,599	2,123
Pennsylvania System	77,039	79,096	74,835	62,483	59,279
Reading Co.	13,654	16,232	16,507	30,852	25,939
Union (Pittsburgh)	20,687	21,470	19,339	4,671	3,636
Western Maryland	3,951	3,879	4,100	15,049	10,593
Total	170,533	178,349	169,849	172,022	149,043
Pocahontas District—					
Chesapeake & Ohio	30,597	24,269	24,585	11,154	10,557
Norfolk & Western	23,911	22,660	23,002	7,698	6,329
Virginian	5,143	4,207	4,821	2,037	2,249
Total	59,651	51,136	52,408	20,889	19,135

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
Southern District—					
Alabama, Tennessee & Northern	311	295	154	388	316
Atl. & W. P.—W. R. R. of Ala.	858	1,003	824	2,814	2,104
Atlanta, Birmingham & Coast	704	779	701	1,678	1,262
Atlantic Coast Line	15,780	13,376	10,970	11,667	8,427
Central of Georgia	4,297	4,515	4,146	4,583	3,753
Charleston & Western Carolina	489	385	403	1,793	1,901
Clinchfield	1,785	1,571	1,593	3,142	2,740
Columbus & Greenville	333	265	225	237	288
Durham & Southern	124	169	170	678	402
Florida East Coast	3,604	2,205	1,019	1,622	1,014
Gainesville Midland	47	48	36	139	150
Georgia	1,655	1,484	1,014	3,217	2,250
Georgia & Florida	499	454	367	653	697
Gulf, Mobile & Ohio	4,034	4,164	3,602	5,465	3,179
Illinois Central System	27,742	28,341	23,490	19,196	14,809
Louisville & Nashville	26,336	25,413	25,331	11,950	9,151
Macon, Dublin & Savannah	191	209	130	952	725
Mississippi Central	235	262	171	497	506
Nashville, Chattanooga & St. L.	3,107	3,467	3,077	5,139	3,639
Norfolk Southern	1,296	1,148	1,049	1,874	1,293
Piedmont Northern	359	498	433	1,165	1,382
Richmond, Fred. & Potomac	469	421	368	10,806	9,450
Seaboard Air Line	10,840	10,061	11,293	9,882	7,164
Southern System	23,225	24,675	24,362	25,810	21,681
Tennessee Central	506	565	541	891	836
Winston-Salem Southbound	99	138	134	969	898
Total	128,925	125,911	115,703	127,207	100,017
Northwestern District—					
Chicago & North Western	15,188	17,335	16,723	13,254	13,559
Chicago Great Western	2,278	2,604	2,483	3,331	3,310
Chicago, Milw., St. P. & Pac.	17,618	19,410	21,293	9,074	8,266
Chicago, St. Paul, Minn. & Omaha	3,477	4,217	4,056	3,951	4,117
Duluth, Missabe & Iron Range	1,374	1,350	861	302	514
Duluth, South Shore & Atlantic	572	716	690	511	553
Elgin, Joliet & Eastern	9,263	9,869	7,679	10,360	10,384
Fl. Dodge, Des Moines & South	417	526	383	108	138
Great Northern	10,667	11,223	11,090	4,430	4,467
Green Bay & Western	473	638	508	886	966
Lake Superior & Ishpeming	227	322	244	78	64
Minneapolis & St. Louis	1,924	1,907	1,708	2,413	2,338
Minn., St. Paul & S. S. M.	4,521	5,392	5,756	3,081	3,629
Northern Pacific	9,239	9,832	10,798	5,095	4,688
Spokane International	88	82	105	605	323
Spokane, Portland & Seattle	1,836	2,611	2,403	3,309	2,453
Total	79,160	88,034	86,784	60,788	59,769
Central Western District—					
Atch., Top. & Santa Fe System	21,801	20,981	17,599	12,745	8,125
Alton	2,975	3,468	3,259	4,621	3,210
Bingham & Garfield	648	506	443	93	103
Chicago, Burlington & Quincy	18,565	16,027	17,723	12,365	10,773
Chicago & Illinois Midland	3,105	2,950	2,625	1,009	848
Chicago, Rock Island & Pacific	12,684	10,422	11,017	15,273	10,475
Chicago & Eastern Illinois	2,401	2,882	3,050	5,398	2,997
Colorado & Southern	756	804	749	1,907	1,682
Denver & Rio Grande Western	3,105	2,589	2,749	6,548	3,461
Denver & Salt Lake	810	644	640	6	6
Fort Worth & Denver City	910	828	697	878	877
Illinois Terminal	1,745	2,027	1,793	1,632	1,747
Missouri-Illinois	907	1,288	939	527	779
Nevada Northern	2,144	1,993	1,961	107	149
North Western Pacific	832	880	606	654	449
Peoria & Pekin Union	16	30	10	0	0
Southern Pacific (Pacific)	25,942	25,744	23,691	13,173	8,514
Toledo, Peoria & Western	312	309	450	1,679	1,077
Union Pacific System	13,407	14,504	13,949	14,501	10,572
Utah	579	556	356	3	4
Western Pacific	1,656	1,452	1,667	3,503	2,693
Total	115,341	110,884	105,970	96,622	68,541
Southwestern District—					
Burlington-Rock Island	649	173	120	219	299
Gulf Coast Lines	6,754	4,990	3,229	2,562	2,614
International-Great Northern	2,176	2,157	1,688	3,346	2,771
Kansas, Oklahoma & Gulf	333	275	223	1,321	1,101
Kansas City Southern	4,948	3,572	2,417	3,112	2,740
Louisiana & Arkansas	3,761	2,435	2,412	2,725	2,505
Litchfield & Madison	352	387	348	1,029	1,124
Midland Valley	687	658	634	371	253
Missouri & Arkansas	165	201	133	434	384
Missouri-Kansas-Texas Lines	6,353	4,897	4,479	5,969	3,990
Missouri Pacific	16,869	16,617	16,639	18,691	14,408
Quahatchee & Pacific	76	131	67	350	297
St. Louis-San Francisco	8,626	8,038	7,964	8,429	6,826
St. Louis Southwestern	3,302	3,727	2,573	5,420	4,999
Texas & New Orleans	12,136	8,480	7,261	5,731	4,668
Texas & Pacific	4,958	4,609	4,280	7,025	6,929
Wichita Falls & Southern	91	123	132	31	39
Weatherford M. W. & N. W.	30	31	12	22	35
Total	72,246	61,501	5		

Items About Banks, Trust Companies

The Fiduciary Trust Co. of New York, 1 Wall Street, has received authorization from the State Banking Department to reduce the par value of its shares from \$100 each to \$10 and to increase the number of its shares from 10,000 to 100,000.

William R. White, Vice-President of the Guaranty Trust Co. of New York and former New York State Superintendent of Banks, was elected a trustee of the Bowery Savings Bank, New York City, on March 8.

The Quarter Century Club of the National City Bank of New York held its annual dinner at the Hotel Astor on March 8, with Gordon S. Rentschler, Chairman of the Board, presiding. Speakers at the dinner besides Mr. Rentschler were W. Randolph Burgess, Vice-Chairman of the Board, and Lindsay Bradford, President of the City Bank Farmers Trust Co. William Gage Brady Jr., President of the bank, was unable to be present, as he is away on a Western business trip. There were 159 new members initiated into the Quarter Century Club at the dinner, the previous enrollment having been 620. Membership comes from the bank, the City Bank Farmers Trust Co., and all domestic and foreign branches. Included in the invitation list for the dinner was Mrs. Bridget Burke, who is 95 years old and the oldest pensioner on National City's list. Mrs. Burke entered the organization's employ in 1882 and retired in 1921. Her son, Thomas Burke, 68 years old, was employed by the bank in 1909 and retired in 1930.

The Seamen's Bank for Savings in the City of New York recently opened its new branch office at 20 East 45th St. for the convenience of old customers who have transferred their activities uptown and also designed to attract new depositors. The Seamen's is the second oldest savings bank in Manhattan, with resources of over \$160,000,000 and more than 135,000 depositors. The bank's principal office is at 74 Wall St. The State Banking Department's authorization for the opening of this branch was noted in these columns Jan. 7, page 67.

The Irving Trust Co. of New York made known on March 3 that the War Department has announced the death in North Africa, on Jan. 11, of Major William H. Roodenburg, of 67 Park Terrace East, New York. Major Roodenburg entered the Irving Trust Co. in 1926, and when called to active service was an Assistant Trust Administrator. According to the trust company, from a letter written by a friend in the service, it is understood that he was killed when an aviation ground force under his command was attacked by enemy planes in Tunisia. Major Roodenburg, who was 36 years old, was a First Lieutenant in the Officers Reserve Corps until 1940, when he became Captain. He was called to active duty June 30, 1941, and assigned to the Army Air Force base at Mitchell Field, L. I., until he was transferred overseas last fall. Born in New York City, Major Roodenburg attended Townsend Harris High School and City College, from which he was graduated with the degree of Bachelor of Science in 1926. Two years later he received the degree of Master of Business Administration from City College.

George A. Easley has been elected President of the National Iron Bank of Morristown, N. J., succeeding the late John Y. Robbins, Elmer King, Chairman of the Board, announces. He has been a member of the Board since 1930.

Frank W. Worth, Vice-President of the Ambler Trust Co., Ambler, Pa., since its founding in 1917, died on March 7 at his home in Prospectville, Pa. Mr. Worth, who was one of the organizers of the banking institution, was also Treasurer of the Community Building and Loan Association of Ambler.

Leo Reap, Chairman of the Board of the Miners Savings Bank of Pittston (Pa.) and former President of the Northern Anthracite Bankers Association, died on March 6 at his home in Pittston. Mr. Reap, who was 59 years old, had been associated with the bank since 1902 and had served as President from 1935 until 1941.

N. W. Chisholm has been appointed a London manager of the National Bank of India, Ltd., according to London advices received by us under date of Feb. 16.

Total resources of Lloyds Bank, Ltd., London, at the close of 1942 are reported at £695,385,809, compared with £629,723,889 at the end of 1941, according to figures appearing in the annual report. The bank's deposits are £646,172,783, against £581,314,405 at the close of 1941. Cash in hand and with Bank of England was listed at £69,203,956, compared with £65,143,045; bills discounted total £47,252,710, against £31,419,243; Treasury deposit receipts are £155,000,000, compared with £140,500,000; investments, £193,602,648, against £163,071,278, and loans and advances to customers £120,201,230, compared with £128,539,433. The bank's net profit for the year 1942 was reported at £1,364,082, as compared with £1,274,199 in 1941. The bank's representative in the United States is J. H. Fea, 34 Wall St., New York City.

Suspend FDIC Levy On War Bond Bank Cash

The Senate passed on March 2 the bill suspending, for the duration of the war and for six months thereafter, the provisions of the law requiring the payment of assessments to the Federal Deposit Insurance Corp. by insured banks on bank balances of the U. S. Treasury derived from the sale of war bonds. The measure, which now goes to the House, also suspends maintenance with Federal Reserve banks of reserves by National and State member banks of the Federal Reserve System against these deposits.

Identical measures were introduced in the House on Feb. 4 by Representative Steagall (Dem., Ala.), Chairman of the House Committee on Banking and Currency, and in the Senate on Feb. 11 by Senator Wagner (Dem., N. Y.), Chairman of the Senate Banking and Currency Committee.

In a statement explaining the bill on Feb. 11, Senator Wagner said:

"Approximately 40% of all Government securities are held by the banking system and in the December Treasury financing, when \$12,000,000,000 of securities were sold, approximately 42%, or \$5,000,000,000 were sold to the banks, exclusive of the amount sold to the public through the medium of the banks. A large portion of the proceeds derived from the sale of these securities are carried in the banking system to the so-called war-loan accounts to the credit of the Treasury pending disbursement by the Government. The banks have been required to pay the usual assessment to the Federal Deposit Insurance Corp. of 1/12 of 1% per annum on these balances in the same manner as on all other

ABA Protests Revival Of Farm Credit Corp. As Harmful To Banks And War Bond Sales

Resurrection of the Regional Agricultural Credit Corporation by the Department of Agriculture as an additional credit agency to compete with country banks in the field of farm credit was vigorously opposed by the American Bankers Association at a hearing held in Washington on Feb. 17, by the Congressional Joint Committee on Reduction of Non-Essential Federal Expenditures, of which Senator Harry F. Byrd of Virginia is Chairman.

The appearance of A. B. A. representatives supplemented previous protests lodged with the Secretary of Agriculture and the Secretary of the Treasury. It is pointed out that the plan under which the Regional Agricultural Credit Corporation has been re-established provides for the lending of \$225,000,000 to farmers for crop production and, among other things, for the making of loans to be directed by the county war boards and the provision for non-recourse loans on certain crops.

Prior to the hearing many efforts were made to secure abandonment of this RACC plan. In addition, W. L. Hemingway, President of the A. B. A., and A. L. M. Wiggins, Chairman of the Association's Committee on Federal Legislation, protested the program in various departments of the Government, including the Treasury, and Mr. Hemingway lodged a formal protest with the Secretary of Agriculture, which was referred to in these columns Feb. 18, page 672.

At a preliminary hearing of the Byrd Committee, testimony was given by C. W. Bailey, Chairman of the A. B. A. Food for Freedom Committee, who is President of the First National Bank, Clarksville, Tenn., and by Harold Stonier, Executive Manager of the Association.

Witnesses who testified at the hearing on behalf of the A. B. A., in addition to Messrs. Hemingway and Wiggins were: I. R. Alter, Executive Vice-President of the First National Bank, Grand Island, Neb.; John H. Crocker, Vice-President of the Citizens National Bank, Decatur, Ill.; C. D. Haskell, farmer of Laurel, Neb., and member of the Nebraska Taxpayers' League; Paul H. Huston, Vice-President of the Peoples Savings Bank, Cedar Rapids, Iowa; Ralph W. Moore, representative of the Commissioner of Agriculture of Texas; Charles T. O'Neill, Vice-President, National Bank and Trust Co., Charlottesville, Va., and member of the A. B. A. Agricultural Commission and Food for Freedom Committee; and L. M. Walker, Commissioner of Agriculture of Virginia.

All of the witnesses agreed, it is noted, that ample credit is available to farmers for production and that there is no need whatever for the revival of the RACC as an additional agency to provide more credit. All also agreed that the bottlenecks in agricultural production arise not out of any lack of credit, but out of the lack of farm labor and the inability of farmers to get needed equipment and parts for equipment.

In his opening statement of the A. B. A.'s case, Mr. Wiggins stated the RACC is being "perverted from its original purpose," that the program contemplated "is unsound," a "further drain on Government funds that are vitally needed for the war effort," that

deposits which they carry, although the Treasury balances, because of the heavy demands of the war, remain in the banks to the credit of the Government for a relatively short time only."

The recent endorsement of the bill by Marriner S. Eccles, Chairman of the Board of Governors of the Federal Reserve System, and Leo T. Crowley, Chairman of the FDIC, before the Senate Banking and Currency Committee, was noted in our March 4 issue, page 843.

it is "against the interest of the farmers who are really producing the nation's food supply," and that it will produce confusion if not havoc in the production credit field. He said a great many Government subsidized loans are made on a basis of risk and anticipated loss of capital, which is made up out of the taxpayers' money at rates of interest artificially reduced by virtue of the subsidy.

Mr. Hemingway read to the Committee the declaration of A. B. A. policy with respect to socialized and subsidized credit. He outlined the various war services being performed by banks and told particularly of the help being given to the Treasury Department to make its war financing plans a success. He stated that while the December financing was successful, the distribution of Government securities was not as wide as might be desired, and added that plans are now in the making to reach two groups—war workers and farmers, who were not reached satisfactorily the last time. In his statement he said:

"You can imagine our surprise, as we were engaged in this program of developing the interest of the country banks more widely to learn of the revival of the RACC. It is putting it mildly to say it threw a bombshell into our camp. The country bankers have felt that they were supporting their Government in every way possible, and it was shocking to them that their Government through one department was asking them to go out and sell bonds through which to obtain money which another department would lend to their customers in competition with them. We have discussed this matter with the Secretary of the Treasury and have told him that we think it will have a bad effect on the forthcoming April drive for the sale of bonds."

At this point Senator Walter F. George broke in to observe that, "if I were the Secretary of the Treasury I would be profoundly concerned for this very move is one of the most effective ways to torpedo the big financing operation that lies just ahead of the Government."

In his closing statement, Mr. Wiggins made a plea for the preservation of the small country banks, saying:

"They are being harassed on every side by the competition of direct lending agencies of the Government largely in the field of agriculture, and I plead with you for your help in keeping those country banks from passing out of our picture. The country bank has been the foundation stone of the rural small towns and villages, and more than any other institution in our communities is responsible for the development of these small towns and cities. As I see it, the revival of the RACC merely adds another layer on the crazy quilt structure of Government lending agencies. Mr. Chairman, we are not only for the abandonment of this ill-conceived rebirth and unnecessarily expensive experiment that will serve no useful purpose, but we also express the hope that this will be the beginning of the abandonment of many other governmental ventures that have proved costly in financial outlay and destructive to the efforts of private citizens to maintain a solvent private economy in this nation."

Point-Rationing Plan For Restaurants

The Office of Price Administration announced on Feb. 24 that the program for rationing of processed foods to commercial eating establishments will be designed to restrict restaurant patron's consumption to approximately the same basis that the individual is restricted at home.

The restriction, it is stated, cuts the amount of processed foods that such eating establishments will receive on the basis of the amount used and the number of persons served during December, 1942. The first ration period will cover March and April instead of the single month of March, as in the case of home consumers. Restaurants, hotels, and other eating places will register during the first 10 days of March at local war-price and rationing boards.

From Washington advices to the New York "Journal of Commerce" the following is taken:

Their allotments of processed foods will be based on a maximum allowance of 6-10 of a ration point for each person served during the month of December, 1942. This compares with slightly over half of a ration point per meal in the case of individual holders of War Ration Book Two. The difference allows for the fact that restaurant owners cannot calculate with the same accuracy as a housewife the amount of various foodstuffs they will be required to use each meal.

As an overall ceiling—and one that will only be reached by refreshment stands and other comparatively small users of processed foods—the regulations provide that in no event may an institutional user's allotment exceed 80% of the amount of processed foods used during December, 1942.

Institutional registration also involves a new basis for allotment of coffee and sugar. Under this basis, institutional users will be given a maximum allowance for the first two-month ration period of .03-pound of sugar and 0.13-pound of coffee per person served in December, 1942.

The new basis will mean a reduction in coffee and sugar allotments in most cases.

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