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## THE FINANCIAL SITUATION

In ordinary circumstances it would be difficult to regard the international exchange schemes now on foot both in this country and in London as likely to attract important support anywhere, so utterly revolutionary is their general tenor. As matters actually stand, however, they must not be dismissed merely because they are bizarre, so much of a piece are the schemes described with a multitude of other post-war proposals sponsored by governments and individuals of influence.

Lord Keynes, apparently, would create some sort of super financial body, governmentally appointed, into whose hands he would place the financial destinies of the nations of the world, while our own Treasury has a scheme of its own designed for purposes not very dissimilar. The authors of both appear naively to believe that the evils of ultra-nationalism, so often the plague of the years intervening between the two world wars, can be eliminated or prevented in the post-war years by so simple a device as a mechanism operated jointly by these heretofore competing and scheming nations. They appear to believe, also, that government is possessed of wisdom not given to ordinary citizens.

### Our Money and Our Wealth

Keynes, fantastic though his ideas often are, is a student of economics and finance. He well knows, of course, that no scheme of international currency such as he proposes could possibly survive without control of many things other than currency, and he quite calmly incorporates into his suggestion (according to current descriptions) proposals for placing broad interests of individual nations and their nationals in the hands of his super-bank, if such it may be termed. Precisely how far our own Treasury would go in this direction is not entirely clear, but it would obviously go far enough either directly or indirectly.

Does either Keynes or Mr. Morgenthau for a moment suppose that the individual members of the governing body selected to administer their schemes would, once they have taken their seats, forget the land of their birth and the interests they left behind them, and henceforth become each a "man without a country"? The history of the League of Nations should make impossible any such belief on their part, if experience of this sort were necessary. But for a

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## What Cooperation?

"I am revealing no state secret when I say to you that one of the gravest doubts which exists in the minds of our partners of the United Nations today is the doubt as to what the policy of the United States will be when the victory is won. They remember that when the victory of 1918 had been achieved, this great country of ours withdrew from almost every form of practical cooperation with its former Allies in the great task of constructing that kind of world in which we and all other peace-loving and liberty-loving peoples could securely and profitably live. In very truth, we won the war, and made no effort to win the peace.

"Our Allies are asking themselves now whether we will again follow that same course."—Sumner Welles.

It would be a relief if the Administration—and some others—were to drop this dust-cloth-and-ashes attitude about our course following the last war. It would be much safer, too.

We "withdrew from almost every form of practical cooperation"? What cooperation? Have we forgotten the secret treaties and the mandates?

It would probably be nearer the truth to say that we withdrew because there was no cooperation.

Let us hope that those who worry about our cooperation next time will not forget, as many of us appear to have done, why we acted as we did last time.

Let US not forget even if our leaders appear to have done so!

## Morgenthau Outlines Proposed Post-War International Currency Stabilization Plan

A tentative proposal "to establish an international stabilization fund in which all the United Nations and those Nations which are associated with them in this war would participate" were outlined by Secretary of the Treasury Morgenthau on April 5 at an extraordinary closed session of members of the Senate Committees on Foreign Relations, Banking and Currency and Post-War Economy and Planning. Mr. Morgenthau indicated on April 6 that the outline of the proposal had been made known to 37 nations, representatives of which have been invited to participate in a conference for the further consideration of the subject. In these columns a week ago, April 1, page 1211, reference was made to forthcoming plans for post-war international trade and the likelihood of an international conference on monetary stabilization. Both the plans of John Maynard Keynes and those attributed to Harry D. White, an Assistant to Secretary Morgenthau, were mentioned in the item in which it was intimated that the proposed conference would seek to compose differences between the two proposals.

Following his presentments to the Senate group on April 5, Mr. Morgenthau made public details of the plan in "the preliminary draft outline of proposal for a United and Associated Nations Stabilization Fund." This we are

giving in full in another item in this issue. Among other things the plan provides that the monetary unit of the fund shall be Unitas, consisting of 137 1/7 grains of fine gold "equivalent to \$10 U. S." It is stipulated that "no change in the value of the currencies of member countries shall be permitted to alter the value in gold or Unitas of the assets of the fund. The Administration's tentative program, as presented to the Senate committees on April 5, involved the following major points, it was stated in Associated Press advices from Washington April 5:

"1. Creation of an international stabilization fund by the United Nations and their associates (a Senator who heard Morgenthau said he understood the fund would have a capital of \$5,000,000,000.)

"2. Fixing the value of currencies in terms of gold.

"3. An agreement among participating nations not to devalue their currencies without consulting other members of the stabilization funds. This would be similar to the tripartite agreement signed by Great Britain, France and the United States in 1936."

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treasuries and central banks," and "would not compete with private banks or existing agencies."

In advices from its Washington correspondent, Nicholas P. Gregory, April 6, the New York "Herald Tribune" said:

"Harry White, Treasury monetary expert, estimated that the American subscription would be about \$2,000,000,000. Each country's subscription would be based on a combination of such factors as its holdings of gold and foreign exchange, its national income, and changes in its balance of payments.

"Each nation's initial payment, which would be 50% of the quota set by the finance ministers of the 37 nations, would be 12.5% of its quota in gold, 12.5% in local currency, and 12.5% in its own securities. These percentage figures, however, would be flexible so that the smaller nations could vary their gold deposits.

"Against these deposits, the fund would issue \$10 gold 'unitas,' to be negotiable only in settling trade balances between governments and not for general circulation. Mr. Morgenthau revealed that the suggested term 'unitas' represents a contraction of the two words 'United Nations.'

"Control of the fund would be vested in an international board appointed by member governments. Voting strength of nations would be fixed by amounts contributed to the fund, but no Government could command more than 25% of the total. Mr. White conceded, however, that the United States thus would exercise a veto power in management.

"Net profits earned by the fund in foreign exchange transactions, gold movements, etc., would be paid out in dividends.

"There would be important restrictions in exchange dealings between countries, designed to eliminate secret agreements that might endanger currency equilibrium."

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## From Washington Ahead Of The News

By CARLISLE BARGERON

There is a movement taking place on the home front which may rise to tremendous significance. It is a movement on the part of some of the leading newspapers to deemphasize the daily flow of hokum and bunk in Washington and give increasing importance to out-in-the-country headlines. Coupled with this is the movement on the part of these same staffs pass up the daily grist of handouts and spend their time on reporting in a more leisurely and analytical way what is really going on. Both movements, if they spread, will have a tendency to kill off the daily headline seeking which is about to run the country nuts.

Briefly put, the country for the past 12 years has been treated daily to the mass output of Washingtonitis. It was Washington this, Washington that. All roads, for those seeking fame, led to Washington. Our whole journalistic set-up has been stacked

pretty much against anybody accomplishing anything out in the rest of the country. There are only a few of our State governors of whom we ever hear. The thinking of the country, the activities of the country, have been pretty much subordinated to the bureaucratic bleatings.

Mr. Roosevelt has long bragged that the country's press had lost its influence. He surely didn't mean that the printed word had lost its influence. What he did mean, or should have meant, was

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## THE FINANCIAL SITUATION

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moment let us suppose that they were able so to divorce themselves from their own interests and those of their countrymen, and by some miracle develop quickly into a body whose sole aim is the "good of all nations." How would they then proceed? What rules would guide them in reaching decisions vitally affecting business everywhere? Is the "good of all" synonymous with the socialistic principle: to each according to his needs; from each according to his ability?

### "Haves" vs. "Have-Nots"

To some observers such a question may appear out of place. But is it? Intelligent students of Vice-President Wallace, Milo Perkins, and a host of other post-war planners in Washington will not find it strange or out of order. Precisely such a doctrine is expressed or implied in much of what they have been saying about post-war plans for two years past. Let it be plainly stated that operations upon such a basis would be (for a time at least) perfect for those Hitler is fond of calling the "have-not" nations and peoples, but what of the "haves," of which, relatively speaking, we are the chief representative? How long should we stay in such a category? But whether any such doctrine is consciously adopted or not, the fact is that the Keynes idea at least appears, from cabled accounts of it, to be most suitable for giving it effect directly or indirectly.

It is probably not widely known in this country, but is a fact nonetheless, that shrewd minds in Britain have been at work for a good while on post-war plans. Oh, yes, the British have their counterparts of our day-dreamers and professional reformers in Washington. Some of theirs—and some of them not without influence, too—have gone even further than have ours. No one in Russia has gone much further in demanding a vigorous program of outright socialism at home and an active campaign to promote it in all countries than the Labour Party in Great Britain, and that group has made this demand one of their post-war tenets. Many other grandiose platitudes have likewise come forth and obtained a following. Yes, all this is going on in Great Britain. But the British have other kinds of planners, too, and some of them have quite candidly asserted that for the British much depends upon the willingness of this country to "give" after the war is over.

### Looking Out For Themselves

These groups have been sedulously arranging pro forma balance sheets of their nation, and contriving various plans for re-establishing themselves in the post-war world. They are looking upon that era with cold, realistic and seeing eyes. They should. We have no complaint whatever to make of them. If they do not look after their own interests no one else will. We mention it at this point merely to suggest that the Britishers sitting on any international board, instigated by Keynes or Mr. Morgenthau are rather likely to be thinking of British interests, first, last and always. Our representatives, if they are not to be a sort of financial godfather to the rest of the world, will have to do likewise. So will the representatives of other nations. The danger to us, or the most serious danger, will be precisely that which is threatening us at home—that the "have-nots" will be in an overwhelming majority.

We in this country have got altogether too much in the habit of thinking of our resources, our wealth, our productivity as being utterly inexhaustible. It is not inexhaustible, and by the end of this war if it continues very much longer we may awake to a rude shock. There are still large funds in this country belonging to peoples who have not been engaged in fighting the Axis, and who may not have an opportunity to use much of them for that purpose. They will otherwise be penniless when the war is over. They may well call on us for huge sums of their own money immediately hostilities cease. Precisely where the British themselves stand in this respect there is no way for the public to know. They are reported to have largely exhausted their resources here and elsewhere abroad before we entered the war, but in what degree Lend-Lease operations have altered this situation no one outside of high Government circles can possibly know.

### Not Inexhaustible

We shall have, of course, almost incredibly large productive power at the close of hostilities, as the New Dealers are so fond of reminding us, but we must not forget for a moment that a very large part of this equipment will not be suitable for peace purposes. So far as the production of peacetime goods is concerned, we may well be rather hard put to it for a time after the war for manufacturing facilities. We have squandered untold millions, not to say billions, in South America and elsewhere in the name of economic war-

## Mr. Wallace's Revolution; Social Security The American Way; Certain Peoples Instinctively Slaves

Here are the pithy comments made by Benjamin De Casseres in his April 1st column in the New York Journal American on the above subjects:

On two different occasions Vice-President Wallace has said "this is the people's revolution." What revolution? The only "revolution" that I've heard about recently in the U. S. A. was the one that took place last November, which was a people's revolt against the New Deal. "People's revolution" has no meaning in the U. S. A. It smacks of Socialism. It is of alien origin, like *volksgeist* and *herrenvolk*. "People's revolution" sounds Russian. It is a class-tainted phrase. Mr. Wallace and the other "Globalonists" should really begin to go native in their speech.

If we are to have "social insurance" on a large scale, let us do it in the American way. The American way is voluntary. Compulsory insurance, with raids on the weekly pay-check, is totalitarian in essence and technique. Let those who want health, old age and unemployment insurance go to a Government agency and get insured. Let no one be taxed for something he or she does not need or want.

There are certain people who are instinctively slaves. They have no sense of freedom. They do not want to be free because it involves certain individual responsibilities. They'd rather be parasites, goose-steppers and candidates for hand-outs. Among these peoples are the Germans, the Russians, all the Balkan states, the Japanese, the Chinese and the Hindus. Remember, China and Russia do not fight for liberty but for national independence—an entirely different thing.

The liberty-loving peoples by instinct are Americans. Englishmen, Irish, Canadians, Australians, Frenchmen, the Scandinavians, the Dutch and the Swiss—and, sometimes, the Belgians and the Italians. I doubt whether that line-up will change in our lifetime.

## The State Of Trade

Reports from most of the heavy industries continue to reflect the expanding war production. Electric power production continues substantially above last year's output, with the industry generating 3,928,170,000 kilowatt-hours for the week ended March 27, an increase of 17.4% over the like 1942 week's total of 3,345,502,000, according to the Edison Electric Institute.

The Pacific Coast area again showed the largest gain over 1942 with an increase of 26.3%. The Southern States section was next with 25.4%.

Consolidated Edison Co. of New York announces output of electricity for the week ended March 27 as 165,400,000 kwh., compared with 149,300,000 in the like 1942 week.

Loadings of revenue freight for the week ended March 27 totaled 787,360 cars, according to the Association of American Railroads. This was an increase of 19,226 cars above the preceding week this year, 20,926 cars fewer than the corresponding week in 1942, and 6,443 cars under the same period two years ago.

The total was 122.82% of average loadings for the corresponding week of the 10 preceding years.

Steel production is scheduled this week at 99.6% of capacity, indicating production of 1,724,800 net tons of ingots and castings, compared with last week's rate of 99.5%, an output of 1,723,000 tons, according to the American Iron & Steel Institute.

For the like 1942 week, production totaled 1,674,800 tons and

operations were at 93.6% of the then smaller capacity. The Department of Commerce estimated first quarter domestic steel production at 21,900,000 net tons and predicted that production for 1943 will reach a record total of 92,000,000 tons, a 7% rise over 1942.

First quarter output was at an annual rate of 88,000,000 net tons; and to achieve the department's expected peak, production for the final nine months this year will have to be at a rate of 93,100,000 tons a year.

Department-store sales on a country-wide basis were down 3% for the week ended March 27, compared with the same week a year ago, according to the figures of the Federal Reserve Board.

Store sales were up 3% for the four weeks ended March 27, compared with the same period a year ago.

Department-store sales in New York City in the week ended March 27 were 9% smaller than in the comparative week last year, and in the four weeks ended March 27 were 1% better than in the corresponding 1942 period, ac-

ording of the New York Federal Reserve Bank.

Retailers reported a firm consumer demand this week, attributing a decline in comparison with last year to the fact that the climax of Easter buying was reached at this time in 1942, according to Dun & Bradstreet, Inc. Wholesale activity also was reported as holding steady, aided by advance buying for summer and fall.

Retailers indicated that a marked spring ascent is not yet under way. They laid the slowness of the rise to the latest Easter in more than 40 years and abnormal spring merchandise demand in February and early March, which, they said, borrowed business from current weeks.

Nevertheless, the largest consumer income in history maintained sales at an exceptionally high level and store traffic was heavy.

Jesse Jones, Secretary of Commerce, believes that national income payments to individuals will total close to \$135,000,000,000 this year. This is almost double the amount of money which the people received in 1939, just four years ago. Should Mr. Jones be correct in his estimate it will mean that the public will have approximately \$15,000,000,000 more this year than it had last year.

Although the average individual will have more money in his pocket this year, the amount of goods and services available are expected to decline to approximately \$77,000,000,000, authorities assert. This will be about \$5,000,000,000 under the 1942 total.

It is pointed out that between \$14,000,000,000 and \$15,000,000,000 in taxes will be paid out of individual incomes this year on the basis of present legislation. The Treasury believes, though, that another \$16,000,000,000 should be siphoned out of circulation. Randolph Paul, the Treasury's general counsel, only the other day, said that the people are well able to pay this additional sum in new revenues. Higher taxes on 1943 incomes, therefore, appear inevitable.

Rapidly advancing consumer incomes and diminishing supplies of goods and services are having the result of limiting expenditures. Last year this factor was responsible for savings reaching the high level of \$26,900,000,000. Department of Commerce predictions are that savings of individuals this year will soar to well above \$40,000,000,000.

The amount of money in circulation is at an all-time high. At the close of February the total was \$39,657,000,000, equivalent to \$118.90 for each person in the country. This compares with \$85.60 for each person at the end of February, 1942, and with \$40.20 a person on March 31, 1917.

### Daniels Named FDR Aide

President Roosevelt has appointed Jonathan Daniels of Raleigh, N. C., as one of his administrative assistants, the White House announced on March 29. Mr. Daniels, who is the son of Josephus Daniels, Secretary of the Navy in the Wilson administration and later Ambassador to Mexico, was recently Assistant Director of the Office of Civilian Defense, having resigned as editor of "The Raleigh News and Observer" in order to enter Government service. His appointment fills the last vacancy among the six administrative assistants who receive \$10,000 a year each.

The President's recent appointment of former Representative James M. Barnes of Illinois as one of his aides was referred to in our issue of March 18, page 1020. The other administrative assistants are William H. McReynolds, Lauchen Currie, Lowell Mellett and David K. Niles.

## Items About Banks, Trust Companies

The statement of the Chase National Bank of New York for March 31, 1943, shows deposits on that date of \$4,203,291,000, compared with \$4,291,467,000 on Dec. 31, 1942, and \$3,628,257,000 on March 31, 1942. Total resources at the latest date amounted to \$4,482,656,000, compared with \$4,569,496,000 on December 31 and \$3,899,439,000 a year ago; cash in the bank's vaults and on deposit with the Federal Reserve Bank and other banks, \$1,025,438,000, compared with \$1,132,553,000 and \$1,254,614,000 on the respective dates; investments in United States Government securities, \$2,403,236,000, contrasting with \$2,327,748,000 and \$1,417,883,000; loans and discounts, \$727,477,000, compared with \$786,057,000 and \$830,806,000.

On March 31, 1943, the capital of the bank was \$100,270,000 and the surplus \$100,270,000, both amounts unchanged. The undivided profits on March 31 amounted to \$49,353,000, compared with \$45,049,000 on Dec. 31, 1942, and \$43,043,000 on March 31, 1942. Earnings of the bank for the first quarter of 1943 amounted to 58 cents per share, compared with 36 cents a share in the first quarter of 1942.

Resources of the Guaranty Trust Company of New York have reached the highest point in the Company's history, according to the bank's statement of condition as of March 31. Total resources of \$3,015,473,615 compare with \$2,995,498,622 at the time of the last published statement, Dec. 31, 1942, and with \$2,555,077,767 at the corresponding quarter a year ago, March 31, 1942. The Company's deposits are \$2,666,261,390 as compared with \$2,256,851,588 a year ago.

The current statement shows holdings of United States Government obligations of \$1,827,681,573, the highest figure to date, against \$1,692,372,868 on Dec. 31, 1942, and with \$1,040,616,951 a year ago. The Company's capital and surplus remain unchanged at \$90,000,000 and \$170,000,000, respectively, and undivided profits total \$23,445,680, compared with \$22,547,059 on Dec. 31, 1942, and with \$19,470,857 a year ago.

J. P. Morgan & Co. Incorporated, New York, in its statement of condition as of March 31, 1943, reports total resources of \$744,722,361 and total deposits of \$697,866,820, compared with \$711,385,162 and \$666,093,331 on Dec. 31, 1942. According to the current statement, cash on hand and due from banks amounts to \$155,399,860, against \$154,589,149 three months ago; U. S. Government securities (direct and fully guaranteed) to \$464,815,117, compared with \$426,826,911; State and municipal bonds and notes are now \$25,130,519, against \$22,582,297, and loans and bills purchased are shown as \$69,611,052, compared with \$79,607,408. The capital and surplus are unchanged from the close of the last quarter of \$20,000,000 each, with undivided profits also the same at \$1,817,508.

The Chemical Bank & Trust Company of New York reported, as of March 31, 1943, deposits of \$1,041,405,430, and total assets of \$1,133,964,753 compared respectively with \$1,009,608,632 and \$1,098,302,223 on March 31, 1942. Cash on hand and due from banks amounted at the latest date to \$261,910,314 compared with \$371,778,098; holdings of United States Government securities to \$509,560,659 against \$328,050,121; bankers' acceptances and call loans to \$37,472,099 against \$29,074,499; and loans and discounts to \$149,273,845 against \$156,926,040.

Capital was unchanged at \$20,000,000 but surplus shows an increase from \$50,000,000 to \$55,000,000, reflecting the transfer on

Dec. 10, 1942, of \$5,000,000 from undivided profits to surplus, the third such increase in the past six years. Undivided profits were \$5,805,606, and allowing for the above transfer, showed an increase for the year of \$1,435,916 after the usual dividends of \$3,600,000 (\$1.80 per share). The indicated net earnings on the bank's 2,000,000 shares (par \$10.00) amount to \$2.52 per share for the year ended March 31, 1943, as compared with \$2.48 per share for the same period a year ago.

The First National Bank of the City of New York, in its report of condition at the close of business March 31, 1943, shows total resources of \$1,009,121,178 and total deposits of \$882,706,810, compared with \$1,014,254,349 and \$887,300,349 on Dec. 31, 1942. Cash and due from Federal Reserve Bank and other banks, including exchanges, is listed at \$198,109,465, against \$195,270,184 three months ago; holdings of United States obligations, \$640,766,090, compared with \$620,757,312, and loans and discounts, \$44,576,695, against \$70,541,163. Capital and surplus remain unchanged at \$10,000,000 and \$100,000,000, respectively. Undivided profits are given as \$11,758,384, after making provision for the April 1 dividend of \$2,000,000, compared with \$12,044,415 on Dec. 31, 1942, after providing for the Jan. 2 dividend of \$2,000,000.

The East River Savings Bank of New York announced the following appointments April 1:

John P. Heney, appointed Assistant Vice-President. Mr. Heney, Manager of the Mortgage Servicing Division and Senior Mortgage Supervisor, was formerly Executive Secretary of the New York State Mortgage Commission and a Special Deputy Superintendent of Banks. He was in charge of the Liquidation Bureau and a general assistant to the Superintendent of Banks. Mr. Heney has been with the East River Savings Bank since 1940.

Theodore J. Kegelman, appointed Assistant Vice-President. Mr. Kegelman, Manager of the Rockefeller Center Office, has

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## 'Gas' Rations Cut in Half—Pleasure Driving Ban Off

To maintain gasoline rations for business purposes and other essential activities by restricting non-essential uses, the Office of Price Administration on March 17 extended the period for A-5 coupons, valid March 22, from two months to four months. The purpose of the measure, which in effect halves the value of the coupons, is to preserve the savings in gasoline made by the ban on pleasure-driving and to replace the penalties in the previous order with another method of control. The action followed certification by Petroleum Administrator Harold L. Ickes that less gasoline will be available in April for distribution to civilians, though the daily supply will be slightly more, because of a seasonal increase in demand. For the new ration period, motorists who have been allowed 12 gallons of gasoline a month will have to get along on an average of six. This has the effect of decreasing the value of No. 5 coupons from an average of three gallons to approximately 1½ gallons a week.

Price Administrator Prentiss M. Brown on March 19 announced that, except in rare cases, Eastern A gasoline bookholders will be unable to get supplemental rations unless they form ride-sharing clubs.

The official ban on pleasure driving, which was ordered early in January by the OPA for the East Coast rationed area, ended on March 22.

## Morgenthau Outlines Proposed Post-War International Currency Stabilization Plan

(Continued from first page)

In special advices from Washington April 5 to the New York "Times" it was stated:

In the House Representative Andresen of Minnesota complained that the American press and people were "scooped" by London on the proposals. Later Secretary Morgenthau asserted that he had been "scooped" too.

"The President's plan," Mr. Andresen told the House, "has been cloaked with a great deal of secrecy as far as members of Congress and the American people are concerned. The first information is being given to several committees of the Senate today. Two committees of the House will be given the information tomorrow."

"London newspapers carried the entire Roosevelt-Morgenthau plan this morning and details were given to the world over an international broadcast at 8 o'clock."

"To my amazement, I learned from the London broadcast that we are going to set up a \$5,000,000,000 international stabilization fund, presumably American gold, and create an international currency in ten-dollar units called 'unitas.'"

"The British financiers have proposed an international currency tied to the British pound called 'bancor,' and I assume that from here on the fight will be between 'unitas' and 'bancor' and the victor of the coming international currency battle will take over control of America's gold hoard of \$22,600,000,000."

The Secretary's statement of April 5, as given in Associated Press advices from Washington, follows:

"For some time we in the Treasury have been deeply concerned with the threat of international monetary chaos at the end of this war."

"We feel that international currency stability is essential to reconstruction in the post-war period and to the resumption of private trade and finance. It is generally held that this formidable task can be successfully handled only through international cooperation."

"I think further that most of us would agree that the establishment of a program adequate to deal with the inevitable post-war monetary problems should not be postponed until the end of hostilities. It would be ill-advised, if not dangerous, to be unprepared for the difficult task of international monetary cooperation when the war ends."

"No one knows how long or how short the war will be. We therefore believe it is desirable to begin now to devise an international monetary agency adequate to cope with the problems with which we shall be confronted when the war does end."

"The completion of such a task is certain to take many months at the least. Specific and practical proposals must be formulated and must be carefully considered by the policy-shaping officials of the various countries. In each country acceptance of a definitive plan can follow only upon legislation or executive action. And even when a plan is finally adopted, much time will be consumed in establishing an organization capable of beginning effective work."

"There is another important reason for dealing with this problem now. A plan for international monetary cooperation can be a factor in winning the war. It has been suggested, and with much cogency, that the task of assuring the defeat of the Axis powers would be made easier if the victims of aggression, actual and potential, could have greater assurance that a victory of the United Nations will not mean in the economic sphere a repetition of the

exchange instability and monetary collapse that followed the last war."

"That assurance should be given now. The people in all of the United Nations must be encouraged to feel themselves on solid ground. They must be given to understand that a victory of the United Nations will not usher in another two decades of widespread economic disruption. The people must know that we at least recognize the fundamental truth that prosperity, like peace, is indivisible."

"With these points in mind, the technical experts of the Treasury and other agencies of the Government for some time have been studying methods by which post-war monetary stability can be achieved. No specific plan has as yet been considered by this Government, but preliminary suggestions of our technical experts have been formulated and have been made available for exploratory study of the experts of other interested governments."

"The technical men of other governments have likewise been studying the problem."

"Our own thinking along the lines of currency stability has not been addressed to concocting some panacea that will automatically cure all the economic ailments of a post-war world. Rather we have attempted to address ourselves to the specific problem of foreign-exchange stability and the common-sense way of achieving this end."

"Our views are based on the rich experience that this country has had in cooperating with other governments in our attempts to maintain exchange stability. We have tried to adapt that experience to the broader and more difficult currency problems confronting the world during the post-war years."

"We have also kept in mind the pattern laid down by the tripartite agreement and our own stabilization agreements."

"Our tentative proposal is to establish an international stabilization fund in which all the United Nations and those nations which are associated with them in this war would participate. This fund would constitute an international agency with powers and resources adequate to promote the maintenance of currency stability."

"The cooperating governments who would participate in the program would, among other things, undertake not to engage in competitive depreciation of their currencies. This stability would be in large measure secured by fixing the value of currencies in terms of gold and by providing that changes could not be made without consultation with other members."

"The resources of the fund that we have in mind would be provided by the participating governments in an amount and form suited to each nation. Participation would be in the form of gold and local currency and public obligations of the member countries. The operations of the fund would include buying and selling of foreign exchange under adequate safeguards."

"The fund would deal only with treasuries and central banks. It would not compete with private banks or existing agencies. Its operations would be maintained only to supplement the efforts made by each member government to maintain monetary stability."

"The established channels of international trade and international banking would be retained in full for all international transactions."

"We have given special attention to the solution of certain troublesome monetary problems growing

out of the war, and have included suggestions for handling of such problems. In particular, the fund would facilitate the restoration of free exchange markets and liberate the abnormal balances which have accumulated in some of the countries as a consequence of war conditions."

"The control of the operations of the funds would be in the hands of an international board appointed by the governments of the member countries, and the voting power on that board would be related to the contribution which each country makes to the required fund."

"The creation of an international agency of the character that we are contemplating is a logical development of the various tentative steps which have been made in the direction of stabilization of currencies during the immediate pre-war years."

"I have been anxious to discuss this matter with you and to keep you informed of developments. Obviously we are still in the early stages of our thinking and discussions. However, I did want you to know what we are doing and I do want to feel free to come back from time to time and discuss the subject with you and obtain your views and advice."

**Editor's Note—Full text of Treasury's Currency Stabilization Proposal appears in Section 1 of today's issue.**

## Add'l Tires For Motorists Holding B Or C Books

In line with the Government's announced plans to keep the nation's automobiles rolling, the Office of Price Administration on March 16 announced that additional pre-Pearl Harbor and "Victory" tires will be available on April 1 to certain lower-mileage passenger car owners. The release of these new casings under rationing to B and C cardholders will be for replacement of tires worn beyond the recappable stage.

An order issued on the same date by OPA makes it possible for a driver with a mileage ration of more than 240 miles monthly to get new casings of the lower qualities—Grade II—when he needs replacements. Previously only those with monthly mileage over 560 could get new tires.

The OPA also announced that motorists with mileage rations between 560 and 1,000 monthly—who until now have been eligible for new casings in the lower-quality basket only—will be able hereafter to get the Grade I tires which previously were reserved for cars with a ration of 1,000 miles or more a month.

The action of Rubber Director William M. Jeffers in releasing this substantial quantity of new tires from inventories on hand assures that all classifications of car owners will now be enabled to keep their cars on the road. Holders of A cards are eligible for used or recapped casings upon proper certification.

In making these tires available, officials of OPA and the Office of Rubber Director both stressed the importance of continuing all phases of the rubber conservation program, particularly the necessity of driving under 35 miles an hour.

## More Successful In Inflation Curb Now Than In Last War, But Further Control Held Necessary

"Despite the vastly greater scale of our war effort, comparisons with the last war show that so far we have been more successful in combating inflation," says the annual report of the Federal Reserve Bank of New York, made available on March 30 by Allan Sproul, President of the Bank. The report goes on to say:

"Until the Spring of 1941, there was a marked similarity in the movement of wholesale prices in the two wars, a roughly horizontal movement for about a year followed by a gradual but accelerating rise, and many fears were at that time expressed that this similarity might continue. Our question was whether the great price rise, of about 50%, which occurred between the middle of 1916 and the middle of 1917, was about to be repeated, and this was part of a larger question, whether for the war as a whole we would repeat the earlier experience with prices. From 1915 to 1920, wholesale prices rose almost 150%, and the cost of living about doubled before the post-war deflation set in. Looking back, we can now see how much more fortunate our experience has been, thus far, than in the last war. The total rise of wholesale prices since the war began in 1939 has been only about one-third as compared with about 83% for the corresponding period of the last war, and the rise in the cost of living has been about 22%, compared with 36% in the same period of the last war.

"For our success thus far in avoiding a more substantial degree of inflation, despite our huge war program, chief importance must be given to the expansibility of our economy."

The report, however, observes that "despite our comparative success in avoiding serious inflation thus far, there have been signs of late that we may be entering a more critical phase of our war effort." It further comments:

"In recent months, there has been a more pronounced rise of farm prices, and a growing fear of a vicious spiral of rising cost of living and wage rates. Hourly earnings in industry have continued to rise more rapidly than the cost of living, and the payment of time-and-a-half for overtime beyond 40 hours per week would seem bound to accentuate this tendency as the 48-hour week goes into more general effect. The situation with regard to manpower, materials, and equipment is becoming rapidly tighter. We are facing in 1943 the withdrawal of several millions from the labor market into the armed forces at the same time that employment must be increased by several millions if the demands of the war program and the food program are to be met. In the face of these signs of growing strain upon resources, it will become increasingly necessary to heighten the emphasis upon control of consumption, by a combination of increased taxation in the income brackets where income has increased, absorption of substantial amounts of current incomes through sales of Government securities to the public, rationing, and more comprehensive price and wage controls, and to rely less than we have done heretofore on continued general expansion of production."

Discussing "Capital and Gold Movements" Mr. Sproul notes that "the transition of most of the world from a peacetime to wartime economy had, as might be expected, further far-reaching effects during 1942 on the character of the balance of payments between the United States and foreign countries." Continuing, he says:

"As a result of the virtually world-wide application of controls over gold and the foreign exchanges, gold and capital movements are now largely on a government-to-government basis and such international transfers of private capital as do occur in general are permitted only if they do not detract from the war ef-

fort. Even in the case of official transfers, credit arrangements by Government agencies, undertaken principally to facilitate the movement of goods between Allies, have to a large extent eliminated the need of cash settlement of balances arising from the international flow of goods. Foreign trade in turn is no longer influenced by the usual peacetime consideration of maintaining some degree of balance, but primarily by the need of war material at the various fronts and the productive and shipping facilities available to satisfy the demand."

Presenting a diagram showing the cumulative movement of gold, capital, and merchandise trade for the past eight years, Mr. Sproul calls attention to the changing character of the United States balance of international payments, and says:

"It can be seen that the excess of our merchandise exports over imports rose precipitously during 1942. Total exports from the United States amounted to \$7,826,000,000, or 52% above the 1941 total. At the same time, imports from abroad declined 18% from the previous year's total to \$2,743,000,000, although this amount excludes goods purchased abroad which were not imported during 1942. While in previous years the 'favorable' trade balance of the United States had been a substantial factor in this country's acquisition of most of the world's gold supply, there was actually some reduction in our gold stock during 1942, despite a merchandise export surplus which was the largest on record. The explanation lies primarily in the fact that of the year's total exports, considerably more than one-half was made under the lend-lease program. Exports on a cash basis, amounting to \$3,158,000,000, were, in fact, only slightly larger than our cash imports, excluding goods purchased and accumulated in stock piles abroad.

"During the year under review, therefore, the trade surplus of the United States was chiefly offset in the balance of international payments by what may be considered a special type of foreign loan, rather than by a reduction in foreign holdings of gold and dollar exchange, as had been the case in other recent years. To the extent that our lend-lease assistance has not been offset by reciprocal aid given to us, our claims on the recipients of lend-lease aid constitute, in a technical sense, an 'export' of American capital. Some indication of the magnitude of this 'export' may be seen from the fact that from March, 1941, through December, 1942, the total of goods transferred and services rendered under the Lend-Lease Act amounted to \$8,253,000,000, of which \$7,009,000,000 occurred during 1942. Toward the end of the year, lend-lease aid was being provided at an annual rate of about \$10,000,000,000.

"In addition to lend-lease assistance, outright financial aid has been rendered to many anti-Axis countries. The largest single recipient of credit during 1942 was China. In April \$200,000,000 was made available out of the \$500,000,000 aid to China authorized by the Congress in March, 1942. Furthermore, a number of countries received considerable amounts of dollar exchange in payment of our expenses in connection with our military and other operations abroad.

"Inasmuch as these credits and payments made a large supply of dollars available at a time when

the lend-lease program reduced foreigners' needs of dollar exchange, 1942 witnessed a material rise in foreign-owned funds held in the United States. According to the published figures, foreign banking funds in this country rose by \$394,000,000 for the first 11 months of 1942; most, or \$312,400,000, of the increase was for the account of foreign central banks, governments, and their agencies. When a further reduction in American banking funds abroad and international security transactions are taken into consideration, the recorded 'inflow' of funds during this period amounted to \$530,900,000, and this amount excludes funds used for the purchase and earmarking of gold here during the year.

"This movement, which followed a sizable reduction in foreign holdings of dollar exchange in 1941, resumed the 'inflow' which had persisted for several years prior to 1941. It should be emphasized, however, that the 1942 movement differed greatly in nature from that of the earlier years. The movement in 1942 was an 'inflow' only in the sense that there was an increase in the amount of dollars owned by foreigners, resulting from an excess of cash payments made to foreigners over cash payments received from foreigners. It was, in fact, much more than offset by the unreported 'outflow' of American capital arising from our foreign lending including lend-lease operations. The movement in the earlier years, on the other hand, reflected a conversion of foreign currency or other means of payment into dollar assets — it reflected an actual inflow of foreign capital."

Under the head "Foreign Relations" the report says:

"Deposits of foreign central banks and governments at the Federal Reserve Banks amounted to \$792,800,000 on Dec. 31, 1942, little changed from the figure a year earlier. Reflecting, however, considerable interest of foreign central banks and governments in acquiring United States Government securities, the total of such securities held by this bank for foreign account at the end of 1942 amounted to \$481,000,000, an increase of \$319,000,000 for the year. In addition, there was the increase of \$458,400,000 in earmarked gold holdings for foreign account, commented upon previously in this report. Largely as a result of the increases in United States Government securities and earmarked gold, the total amount of funds held by the Reserve Banks for foreign account rose \$791,000,000 during the year to reach a new high figure of nearly \$4,000,000,000.

"Balances which this Bank holds abroad for its own and other Federal Reserve Banks' accounts showed virtually no change during 1942. There continued to be no holdings of commercial bills denominated in foreign currencies.

"A series of six short-term loans, secured by gold earmarked at this Bank, were made to a Latin American central bank during 1942. These loans were made for the purpose of providing dollar exchange, an adequate supply of which was not being promptly obtained because of war-time delays in the shipment of export products to the United States. By the end of the year, four of the loans had been repaid, and the outstanding balance owed on Dec. 31, 1942, was \$2,500,000. This loan operation was effected by this Bank with the approval of the Board of Governors of the Federal Reserve System and was participated in by other Reserve Banks.

"Foreign operations, conducted by this Bank as fiscal agent of the United States, increased considerably during 1942. With the United States at war, the scope of governmental transactions of a foreign nature naturally widened and in this connection this Bank acted as

## President Vetoes Bankhead Farm Parity Bill; Says Measure Is Inflationary And Dangerous

President Roosevelt vetoed on April 2 the so-called Bankhead bill to prevent the deduction of Government benefit payments in determining parity or comparable prices for agricultural products.

In his veto message to the Senate, the President said he was compelled to take this action because the measure is "inflationary in character," is "wholly inconsistent with our stabilization program, and, therefore, dangerous alike to our constructive farm policy and to our whole war effort."

After reviewing the legislative history of the measure, to justify his interpretation of the Stabilization Act of Oct. 2, 1942, Mr. Roosevelt said that "this bill would go beyond the goal of parity income and give to these producers an unwarranted bonus at the expense of the consumer." He added that the farmer is "substantially better off" than he was in the last war but that he would not remain so "if we set loose an inflationary tornado."

Citing the increased dollar income, purchasing power and parity income of the farmer, the President said that the farmers present favorable position "can be held only if our general stabilization program succeeds" and that this program can succeed "only if all groups except those on the very margin of subsistence are willing to recognize that for the duration they not only cannot expect to improve their living standards, but must indeed be willing to bear their fair share of the cost of stabilization."

The President estimated that the bill might swell the cost of living more than 5% and add more than \$1,000,000,000 to the consumers' food budget and several hundred million dollars to the cost of feeding the armed forces and supplying our Allies.

In appealing to the "considered judgment" of Congress to reject the Bankhead bill, the President stated that "if by this bill you force an increase in the cost of the basic foodstuffs, and as a result the National War Labor Board increases wages, no one can tell where increases will start or what those increased wages will ultimately cost the farmers and all people of the nation."

Congressional action on the Bankhead bill was completed on March 26 when the Senate adopted the House version. The bill was originally approved by the Senate on Feb. 25 by the overwhelming vote of 78 to 2 but the House, in adopting it on March 24 by a standing vote of 149 to 40, revised the measure so as to make it an amendment to the 1942 Price Control Act. This change was accepted by the Senate on March 26 and the measure was sent to the White House. Final Senate approval came despite Price Administrator Prentiss Brown's plea that the bill be rejected. Mr. Brown contended that enactment of this bill would raise retail food prices 7%; add \$1,500,000,000 to the consumer's food budget, and cost the Government an additional \$500,000,000 a year to feed the armed forces and supply our Allies.

The bill, sponsored by Senator Bankhead (Dem., Ala.), has the effect of nullifying President Roosevelt's interpretation of the farm provisions of the Stabilization Act, enacted Oct. 2, 1942. The President's economic stabilization order authorized the deduction of Government benefit payments in setting price ceilings on farm products. It was claimed that this was in violation of the intent of Congress.

In his bill, Senator Bankhead stipulated "that, in determining the parity price or comparable price for any agricultural com-

modity, and in establishing, maintaining or adjusting any maximum price or prices for any agricultural commodity, or for any commodity processed or manufactured in whole or in substantial part from any agricultural commodity, no deduction shall be made by any agency of the Government for any subsidy payment, parity payment, conservation payment, incentive payment, or other payment made with respect to any agricultural commodity."

The effect of the bill, it is explained, is to allow commodity prices, and any commodity processed or manufactured in whole or substantial part from any agricultural commodity, to rise to the full ceiling or parity price, with any benefit payments or incentive payments to farmers to encourage war production being in addition to such ceilings.

The Congressional controversy over the Administration's interpretation of this law was referred to in our issue of Dec. 31, page 2336.

## N. Y. District Plans April War Loan Drive

Plans for the April War Loan drive were outlined to 450 investment dealers at the Federal Reserve Bank of New York on March 23 by Allan Sproul, President of the bank and Chairman of the War Finance Committee for the Second District, and Perry E. Hall, Executive Manager of the New York Victory Fund Committee.

It was announced at the meeting that of the \$13,000,000,000 to be raised in the nation-wide campaign, beginning April 12, \$8,000,000,000 is to come from non-commercial bank sources, and of the latter amount the New York district is to raise at least \$3,000,000,000.

It is expected that 40,000 volunteer salesmen will be available for the Treasury drive in the New York area. Mr. Hall announced recently that Harry W. Beebe, Vice-President of Harriman Ripley & Co., Inc.; Irving D. Fish, partner of Smith, Barney & Co., and Percy M. Stewart, partner of Kuhn, Loeb & Co., have become associated with the New York Victory Fund group. They will make their headquarters at the Federal Reserve Bank of New York, and will be assigned the specific task of coordinating the efforts of banks and investment dealers in Region 8, which includes Manhattan and the Bronx.

## Population of U. S. Reaches 135,604,000

The Bureau of the Census reported on March 22 that the population of the continental United States had reached 135,604,000 on Jan. 1, an increase of 1,651,000 during 1942, or nearly double the average yearly gain for the past decade. The Associated Press reports that the sharp gain was attributed principally to the record of 3,020,153 births last year, which the Bureau said "resulted primarily from business prosperity induced by war activity and from anticipation of conscription."

The Jan. 1 population estimate compares with 133,669,275 on April 1, 1940, date of the last census, and an estimated 133,953,000 on Jan. 1, 1942.

## Estimates \$100,000,000 Borrowed To Pay Income Taxes; Favors Pay-Go Tax Plan

A minimum of 50,000 New York families borrowed from banks and lending agencies what is indicated as a conservatively estimated \$10,000,000 to pay their first quarter income taxes, and over the nation at least 500,000 families borrowed a minimum of \$100,000,000 for the same purpose, according to a statement issued by Syd J. Hughes, Vice-President of the Morris Plan Bank of New York, which claims to be the largest consumer credit bank in the country.

In issuing the statement, Mr. Hughes, who is also a Director of the Consumer Banking Institute, Washington, said that such loans would be eliminated if the Ruml, or some similar pay-as-you-go tax plan were adopted by Congress.

"The actual figures, when available," Mr. Hughes said, "will no doubt be much larger, and under the acceleration of higher cost of living, the three remaining tax installments and the proposed 20% withholding tax, the number of tax-paying borrowers might very likely rise to as many as 5,000,000 involving \$1,000,000,000 directly or indirectly due to the present tax base.

Mr. Hughes further stated: "The danger signal in this entire situation is not in the fact that people borrow to pay their income taxes. Many have always done so purely for the sake of the convenience of paying all their taxes in a lump sum and amortizing the loan in convenient monthly budget payments.

"This year such borrowing is more one of grim necessity and the three more payments are yet to come plus a salary withholding tax.

"The estimate of \$100,000,000 in such tax loans for the first quarter is very conservative, in my opinion. It is predicated on certain reported volume of 'personal loans' as made by banks with personal loan departments, industrial banks of the Morris Plan type, personal loan companies and credit unions, the latter lending agencies set up within a given business or industry by the employees themselves such as the Municipal Credit Union of New York with a volume of millions of dollars of loans among city employees.

"The estimate does not include the thousands of banks where a personal loan department is not maintained as such yet where a large volume of this type of business is handled in the regular course of the bank's business. It does not include tax loans secured by collateral such as stocks and bonds made by banks in their commercial loan departments. It does not include short-term loans made by banks by the thousands for 30, 60, or 90 days. It does not include the large volume of loans made by insurance companies, nor in number of loans does the estimate include those loans where two or more tax payers may make a joint loan sharing the proceeds among them. The latter is a common practice.

"The Federal Reserve Board has the machinery available to collect fairly accurate figures from the banks and other lending agencies previously mentioned, but such a survey would not encompass all the other types of borrowing just outlined nor would it be accurate in the sense that loan applications may show the proceeds to be used for some other purpose and where that other purpose was made necessary by the diverting of current funds into tax payments.

"Borrowing continues for this reason. People who depleted their current working funds to pay their first quarter taxes are now borrowing to pay other neglected bills and to improve their individual cash positions.

"Loans of this type will increase as the year progresses.

"It seems to be as simple as A-B-C and as plain as the nose on your face that the Ruml Plan would largely correct an already pressing problem for millions of

taxpayers and certainly would head off the hopeless predicament that millions more face in the months and years ahead with still larger tax accumulations likely long before relief will come in the form of lower taxes.

"Further, when we observe that loans are made for taxes, we are, as a rule, talking about entire families rather than individuals. It is a different thing to say that a half million or a million loans were made for this purpose than to say a half million or a million families were so involved. Because the family unit would double or treble the actual number of people involved. If the family head is under financial pressure the whole family is under a corresponding pressure with drastically reduced family budgets, meaning the sacrifice of many things necessary to the basic health and comfort of the home itself.

"Few men without families are involved in these figures because most men, up to 38 at least, are in the military services. Further, single people have always been far in the minority among tax borrowers. It is the family head, beset with all the normal financial problems of running a home who now finds himself approaching a point that can completely break down the home economy if some relief is not forthcoming — and promptly.

"A half million or a million tax-paying families may seem a small minority compared with the total number of people now subject to taxation, but it must be remembered that millions of the new taxpayers are in the lowest income groups whose taxes are comparatively small and their aggregate total of taxes paid is small percentage-wise to the total taxes collected.

"It is the middle and upper income groups who pay the bulk of the taxes, the groups who have been in income tax brackets for years and now fall into the tax-borrowing class. They are the stable year-in and year-out tax producers on whom the government must depend rather than the new emergency war-time taxpayer whose contribution is relatively small." Mr. Hughes further said:

"Examination of records bears out the perfectly human contention of the Ruml Plan exponents that a great many families, principally white collar workers who are not benefitting by high war wages (to the contrary) have not been able to save over enough money from their 1942 earnings to pay their greatly increased tax rates payable the year after. Neither will they save enough during 1943 to pay the probable higher taxes in 1944.

"A pay-as-you-go program coupled with a salary deduction plan, as inconsistent as it may sound, means that these families will adjust their affairs over a period of time in such a way that the government gets its taxes, in full and on time, and the citizen taxpayer is rendered debt-free, with a tightened belt perhaps, but not dragging under the weight of a year's accumulated taxes."

### FHLB Sells Debentures

The Federal Home Loan Banks sold on March 17, at par, an issue of \$35,000,000 3/4% series N consolidated debentures, it was announced by Everett Smith, New York financial representative. The issue was heavily oversubscribed. The debentures are dated April 1, 1943, and mature

Oct. 1, 1943. The proceeds from the sale, together with the \$2,500,000 from the bank's surplus fund, will be used to pay off on April 1 two series of debentures aggregating \$37,500,000.

Giving effect to this refunding operation, the consolidated debt of the 12 regional banks will be confined to the new issue. On Dec. 31, 1942, there were outstanding three issues aggregating \$69,500,000.

## Two Years Lend-Lease Was \$9.6 Billion

Edward R. Stettinius, Jr., Lend-Lease Administrator, reported to Congress on March 11 that from March 11, 1941, to March 1, 1943, the total value of lend-lease aid was \$9,631,793,000 and that of this amount \$7,830,860,000 represented goods transferred and \$1,800,933,000 for services rendered.

Mr. Stettinius's report, submitted on the second anniversary of enactment of the law, showed that of the total lend-lease aid \$4,430,048,000 went to the United Kingdom, \$1,825,600,000 to Russia, \$1,573,018,000 to Africa and the Middle East, \$1,343,567,000 to China, India, Australia and New Zealand, and \$459,560,000 to other countries whose defense is considered essential to the defense of the United States.

The report further disclosed a shifting of lend-lease aid from the United Kingdom, which received 68% of all shipments in the first year, to other areas. Percentages of total shipments for the second year:

United Kingdom, 38%; Russia, 29%; Middle East and Africa, 15%; Australia, New Zealand, China and India, 14%; other areas, 4%.

Mr. Stettinius further reported that "almost as much aid was provided in the last six months as in the previous 18 months." He added:

"In the last 12 months, we shipped to our Allies, under lend-lease or in fulfillment of previous direct purchase contracts, 30 out of every 100 bombers we produced, 38 out of every 100 fighter planes, 28 out of every 100 light tanks and 33 out of every 100 medium tanks."

The report said that in the three important categories—combat planes, tanks and other military motor vehicles—lend-lease shipments to Russia exceeded shipments to any other military theater. It was further explained:

"Half of all the tanks shipped so far under lend-lease have gone to Russia and 40% of all the tactical planes. We also developed the southern supply route to Russia as an alternative for the Murmansk-Archangel route, and we began lend-lease shipments to Russia by both air and water from the Pacific Coast. By the end of 1942 the capacity of the Persian-Iran route to Russia was three times what it was at the beginning of the year.

"British aid to Russia in planes and tanks has matched our own in volume. Two-thirds of all supplies sent to Russia from this country have been transported in American ships. Moreover, the great majority of the supplies to the Soviet Union are arriving safely."

Mr. Stettinius also told Congress that lend-lease goods valued at \$1,977,000,000 were transferred in the three months ended March 1. Of these transfers, 60% were munitions, 16% agricultural products and 24% industrial materials.

Of the \$7,830,860,000 worth of goods transferred in two years, \$4,294,271,000 was in munitions, \$2,087,525,000 in industrial products and \$1,449,064,000 in agricultural products.

The report also stressed the value of reciprocal lend-lease aid from the Allies to United States forces.

## Record Income Tax Payment Hailed By Sullivan As Proof Of People's Unity & Loyalty

Assistant Secretary of the Treasury John L. Sullivan declared on March 30 that "in the first two weeks of March the American people gave a tremendous, overwhelming proof of unity and loyalty" by "willingly and gladly pouring into their Federal Treasury the greatest flood of income taxes in the history of this or any other nation."

In an address before the Boston Advertising Club, Mr. Sullivan said that, despite confusion regarding pending proposals in Congress, the manner in which the American people paid their taxes was "heartening and inspiring."

Mr. Sullivan further declared: "I believe that when the history of this war is written, one of the facts that will amaze and mystify not only the peoples but the leaders of our enemies and allies alike is the degree to which all people of America have helped our Government finance this war. I predict to you today that during this war more American people, through taxes willingly paid and through bonds voluntarily purchased, will have participated in financing this war more completely than any other people in any land in history.

"I would like to give you a few facts and figures demonstrating the growth and popularization of the Federal income tax as an instrument in supporting the Federal Government. Ten years ago, in the fiscal year 1933, total individual income tax collections yielded \$352,573,000. That year 3,723,558 people filed a return. Never until 1940 did we receive as many as 8,000,000 individual income tax returns. In 1941, more than 15,000,000 individuals filed returns. In 1942, 26,500,000 people filed income tax returns. This year, more than 40,000,000 people have filed income tax returns.

"The revenue received from corporate and individual tax returns 10 years ago in the fiscal year 1933 amounted to \$746,791,000. In the fiscal year 1940, they yielded \$2,121,000,000; in 1941, \$3,462,000,000; in 1942, \$8,002,000,000, and for the current fiscal year, we estimate they will yield \$17,567,000,000. Surely no one can now charge that the Federal income tax payers are an exclusive group nor that the great bulk of the American people are not contributing liberally to the support of their Government and the financing of the war. There are some other facts about this development of the Federal income tax that may be of interest to you. Ten years ago, in the fiscal year 1933, while we were collecting \$747,000,000 from 2,000,000 individual and corporate taxpayers, the Bureau of Internal Revenue had a total of 11,500 employees. This year when we hope to collect \$17,000,000,000 from more than 40,000,000 taxpayers, the Bureau personnel is only 34,000. Thus while collections increased 23 times and the number of returns increased 20 times the Bureau personnel increased only 3 times.

"I am well aware that in every well-conducted business unit costs decrease as production mounts. This has been the case in the collection of Federal taxes. During the first two months of this year, a vicious rumor was circulated in certain parts of this country that the costs of collection of Federal taxes were fantastic. Because of that rumor and because of a general feeling that collection costs are in fact high, I would like to tell you just how much it has cost the Treasury to collect your tax dollars. In the fiscal year 1940, it cost us \$1.12 for every \$100 we collected. In the fiscal year 1941, 89 cents for every \$100 collected. Last year, the cost of collection was 57 cents for every \$100, and in the year which closes June 30, 1943, we expect the final analysis will show that for every \$100 collected we will have spent less than 50 cents to collect it. Let this figure be the answer to all who

talk of Federal inefficiency and extravagance in the collection of the Federal revenues."

Mr. Sullivan also gave figures to disprove reports that a great amount of individual income taxes have been uncollectible and that the percentage of American citizens and businessmen who "try to chisel on Uncle Sam is gratifyingly low."

### New MBA Legal Division

Organization of a new legal division of the Mortgage Bankers Association of America, to which attorneys for member firms will be invited to join as associate members, was announced on March 28. It is pointed out that while the association's more than 700 members in 42 States embrace mortgage firms, real estate organizations, life insurance and title trust companies and commercial banks, this is the second divisional group established. The first was organized in 1937 for banks and mutual savings banks.

"Primary reason for the action," said Charles A. Mullenix, association President, "is that the services of attorneys serving mortgage banking firms have become increasingly important in recent years."

Mr. Mullenix added: "Many have asked for a closer and more direct contact with the work on the association so that they could better understand the work and activities of the national mortgage group. It is hoped this new legal division will meet the needs of attorneys whose work requires specialized knowledge of mortgage banking."

Miller B. Pennell, Cleveland, is counsel for the association and will be active in directing the work of the division.

### Cotton Consumption In February

Under date of March 15, 1943, the Census Bureau at Washington issued its report showing cotton consumed in the United States, cotton on hand, and active cotton spindles in the month of February.

In the month of February, 1943, cotton consumed amounted to 878,154 bales of lint and 98,449 bales of linters, as compared with 915,479 of lint and 110,578 bales of linters in January, 1943, and 892,288 bales of lint and 107,584 bales of linters in February, 1942.

For the seven months ending with Feb. 28, cotton consumption was 6,505,910 bales of lint and 783,802 bales of linters, against 6,283,012 bales of lint and 844,089 bales of linters in the same seven months a year ago.

There were 2,528,515 bales of lint and 501,929 bales of linters on hand in consuming establishments on Feb. 28, 1943, which compares with 2,582,393 bales of lint and 558,377 bales of linters on Feb. 28, 1942.

12,373,506 bales of lint and 94,453 bales of linters were on hand in public storage and at compresses on Feb. 28, 1943, and 13,069,379 bales of lint and 90,713 bales of linters on Jan. 31, 1943, and 12,211,947 bales of lint and 178,947 bales of linters on Feb. 28, 1942.

There were 22,859,160 cotton spindles active during February, 1943, which compares with 23,087,626 active cotton spindles during January, 1943, and with 23,087,626 active cotton spindles during February, 1942.

## President Signs Bill Continuing Lend-Lease For Another Year—Aid Program Two Years Old

The measure continuing for another year the life of the Lend-Lease Act was signed by President Roosevelt on March 11, the second anniversary of the enactment of the original law.

The President's action came shortly after the Senate unanimously approved the resolution by a vote of 82 to 0. The House had adopted the year's extension—to June 30, 1944—on March 10 by a 407 to 6 vote.

In a statement, read to a luncheon marking the second anniversary of the lend-lease program, the President said that as the United Nations "strike again and again, lend-lease and reciprocal aid will contribute increasingly to the inevitable defeat of the Axis."

Edward R. Stettinius, Jr., Lend-Lease Administrator, disclosed in his eighth quarterly report to Congress that lend-lease aid from its inception March 11, 1941, to March 1, 1943, totaled \$9,632,000,000.

Attending the anniversary luncheon, given by Mr. Stettinius and other officials of the Lend-Lease Administration, were Vice-President Wallace, Maxim Litvinov, Russian Ambassador; T. V. Soong, Chinese Foreign Minister; Viscount Halifax, British Ambassador, and representatives of all other United Nations.

The President's message, read by Vice-President Wallace, follows:

"Two years ago, on March 11, 1941, the Lend-Lease Act was approved.

"Hitler had promised his people that this war would be a short one, a single-front war—that our aid would be too little and too late.

"Such also were the promises of the military junta or Japan. "Time has given the lie to their promises.

"Our promises have stood the test of time.

"For today, as we observe the second anniversary of the Lend-Lease Act, the United Nations are on the offensive.

"Two years ago the question was—where would the Axis strike next? Now the question is—where will the United Nations strike next? The enemy will receive its answers on battlefields of our own choosing.

"As we strike again and again, lend-lease and reciprocal aid will contribute increasingly to the inevitable defeat of the Axis.

"And this mutual aid has become more than a joint weapon of war. In the smoke of battle, lend-lease is helping to forge the unity that will be required to make a just and lasting peace."

In brief remarks, Mr. Litvinov said that "supplies received through lend-lease have been an enormous help, and as such are deeply appreciated by the people of the Soviet Union, who are fully aware of its extent."

Dr. Soong made an appeal for more material assistance under the mutual aid program for China, indicating that the amount thus far received is insufficient.

Lord Halifax said that his country was grateful for the aid received and declared that lend-lease will contribute to the "constructive tasks of peace."

Senate passage of the continuing resolution came after brief debate in which there was no substantial controversy on renewal.

However, in the House debate on March 10 there was an attempt to give Congress final authority over any lend-lease post-war settlement agreements but this proposal was defeated by a teller vote of 178 to 118.

The rider to give Congress veto powers over final settlement of lend-lease benefits was proposed by Representative Vorys (Rep., Ohio) with the contention that it would "set up the machinery for cooperation" by the executive and legislative branches of Government on post-war problems.

In its report recommending

the extension bill, the Senate Foreign Relations Committee on March 10 included a warning as to major post-war economic agreements. The Committee's report said in this respect:

"The Committee believes there is no authority in the Lend-Lease Act to warrant any general post-war commitments or post-war policies in agreements made under the terms of the Lend-Lease Act.

"The problem of air and naval bases as they affect the security of the United States goes far beyond the field of lend-lease alone, yet its solution may give rise to some lend-lease benefits under Section 3B. This problem is believed to be an integral part of the United Nations general problem of winning the war."

Mr. Stettinius had testified before the Committee on March 1 that lend-lease shipments of agricultural products to other countries are not responsible for any food shortage in the United States. Urging continuance of the lend-lease program for another year, Mr. Stettinius said that the dollar value of food shipments of other nations last year was only 6% of American farm production.

The House Foreign Affairs Committee's report calling for extension was referred to in our issue of March 11, page 922.

## O'Neill Heads ABA Farm Legislative Group

Charles T. O'Neill, Vice-President and Trust Officer of the National Bank and Trust Co., Charlottesville, Va., has been named Chairman of the subcommittee on Agricultural Credit of the Committee on Federal Legislation of the American Bankers Association, by W. L. Hemingway, President of the ABA.

Mr. O'Neill takes the place of Wood Netherland, Vice-President of the Mercantile Commerce Bank and Trust Co., St. Louis, who has had to take a month's vacation because of ill health. Mr. Netherland has relinquished this post, says the ABA announcement issued March 15, in order that there may be no interruption in the directing of the intensive fight which the ABA is waging against the competition of Government lending agencies with country banks in the field of agricultural credit. He will continue, however, to serve as Vice-Chairman of the Committee on Federal Legislation, of which ABA Vice-President Wiggins is Chairman.

Mr. O'Neill has been a member of the ABA Agricultural Commission for the past two years and a member of its Food for Freedom Committee since its inception. He is Chairman of the Agricultural Committee of the Virginia Bankers Association and officer in charge of agricultural loans in a country bank in Virginia.

## Yates Asst. Comptroller

The Senate on April 2 confirmed President Roosevelt's nomination of Frank L. Yates of West Virginia to be Assistant Comptroller General of the United States for a term of 15 years. Mr. Yates, who has been associated with the General Accounting Office since 1919, was named by the President on March 16 to succeed Richard N. Elliott, who is retiring.

## Colorado Governor Orders Halt In Drafting Farm Workers

An immediate halt to military induction of Colorado men actually engaged in farming, stock raising and dairying was ordered on March 25 by the Republican Governor, John C. Vivian.

In ordering the blanket deferment of farm workers, Governor Vivian directed Brig. Gen. H. H. Richardson, State Selective Service Director, "to notify all draft boards of Colorado to immediately cease ordering to duty boys actually engaged in farming, stock raising or dairying."

This order was the first of its kind ever issued by a Governor. Mr. Vivian based his action on a provision of the National Selective Service Act which reads: "The Governor of each State shall have charge of the administration of the Selective Service Law in his State."

Gen. Richardson forwarded Governor Vivian's directive to Maj. Gen. Lewis B. Hershey, Selective Service head in Washington, and meanwhile ordered Colorado draft boards "to continue the present policy concerning selection of agricultural workers for military duty."

However, on March 30, General Richardson, acting in compliance with the Governor's directive, outlined a new procedure to be followed. Local boards were instructed to refer the cases of all their farmer-registrants to their respective county war boards. Associated Press advices from Denver March 30 further said:

"The county war boards must place the registrant in farm work or the registrant's case will revert to the local board. All referrals must be reported to State Selective Service headquarters."

## Cohen Heads SEC Division

The Securities and Exchange Commission announced on March 18 the resignation of John W. Houser as Director of the Public Utilities Division who is leaving to assume an administrative position with the Board of Economic Warfare in North Africa. It was indicated that his resignation would take effect at an early date. Mr. Houser had been head of the Division since January, 1942, when he succeeded Robert H. O'Brien, who became a member of the Commission (referred to in these columns of Feb. 12, 1942, page 659).

The Commission also announced the appointment of Milton H. Cohen of Milwaukee as Director of the Public Utilities Division to succeed Mr. Houser, and Donald C. Cook of Escanaba, Mich., as Assistant Director to succeed Mr. Cohen.

Mr. Cohen has been associated with the Commission since August, 1935, during which time he has served with the Legal Division, and since 1939 with the Public Utilities Division. He has been Assistant Director of the Division since March, 1942. Mr. Cohen is a graduate of Harvard and the Harvard Law School and is a member of the bar of the State of Wisconsin.

Mr. Cook has been associated with the Commission since 1935, first serving with the Registration Division, and since May of 1938 with the Public Utilities Division, where he now is chief of the Utility Section in charge of matters concerning the Associated Gas & Electric system and other companies. He is a graduate of the University of Michigan and George Washington University; a member of the bar of the State of Michigan and a certified public accountant of the State of Maryland.

## Press Representatives Confer With Morgenthau On War Loan Drive—Form Newspaper Council

An Allied Newspaper Council to support the Treasury's \$13,000,000 Second War Loan drive to be launched on April 12 was formed in Washington on March 21 by representatives of the newspapers of the country. The action followed conferences which leaders of the American press had with Government officials on March 20 in the Treasury to discuss plans for cooperating in the drive. The Treasury announcement said:

"Representatives of publishers, editors, newspaper chains and the advertising industry studied suggestions for the campaign with officials of the Treasury, the Federal Reserve System and the Office of War Information. Goal of the meeting was a comprehensive program for newspaper and advertising participation in the war financing drive.

"The following accepted Secretary Morgenthau's invitation to the conference:

"Walter M. Dear of Jersey City, N. J., President of the American Newspaper Publishers Association.

"John S. Knight of Miami, Fla., Vice-President of the American Society of Newspaper Editors.

"Basil L. Walters of Minneapolis, Minn., Secretary of the American Society of Newspaper Editors.

"E. S. Friendly and Chester Laroche of New York City and Linwood I. Noyes of Ironwood, Mich., representing the Advertising Council, Inc.

"E. H. Abels of Lawrence, Kan., President of the National Editorial Association.

"A. C. Hudnutt of Elyria, Ohio, President of the Inland Daily Press Association.

"O. G. Andrews of New London, Conn., President of the New England Daily Newspaper Association.

"Charles P. Manship of Baton Rouge, La., President of the Southern Newspaper Publishers Association.

"Cranston Williams of New York City, General Manager of the American Newspaper Publishers Association.

"W. M. Baskerville of Baltimore, representing the Hearst Publications.

"Frank E. Gannett of Rochester, N. Y., President of the Gannett Newspapers.

"Roy D. Moore of Canton, Ohio, Vice-President and General Manager of the Brush-Moore Newspapers and State Administrator for Ohio of the War Savings Staff.

"H. W. Stodghill of Philadelphia, Pa., Business Manager of the Philadelphia Bulletin.

"Government officials present, in addition to Secretary Morgenthau, were Vice-Chairman Ronald Ransom of the Board of Governors of the Federal Reserve System; Gardner Cowles, Jr., Domestic Director of the Office of War Information; James C. Rogers, Jr., of the Office of War Information; Under Secretary of the Treasury Daniel W. Bell; Assistant Secretary of the Treasury Herbert E. Gaston; William M. Robbins, Chairman of the United States Treasury War Finance Committee; Theodore R. Gamble and George Buffington, Assistants to the Secretary of the Treasury; Stuart Peabody, advertising specialist for the Second War Loan Drive, and Wesley Lindow of the Treasury's Division of Research and Statistics."

On March 29 Secretary Morgenthau announced that Frank Tripp, of Elmira, N. Y., has agreed to serve as Chairman of the Allied Newspaper Council in connection with the sale of Treasury bonds.

Mr. Tripp, who is general manager of the Gannett newspapers and chairman of the Bureau of Advertising of the American Newspaper Publishers Association, was the unanimous choice of the publishers and editors who attended a meeting on March 20 in the Treasury to consider what newspapers might do to help the

War Loan Drive. Of the \$13,000,000 goal it is intended that \$8,000,000 will be obtained from non-banking sources.

Don Bridge, newspaper advertising executive, formerly of the New York "Times" and of the Indianapolis "News," has been assigned by the Treasury War Finance Committee to work with Mr. Tripp. Jerome T. Barnum, former publisher of the Syracuse "Post-Standard," also will give his time to the effort, directly representing Mr. Tripp.

Regarding the formation of the Council, Associated Press accounts from Washington March 21 said:

"The Council recalled that newspapers were almost entirely responsible for the success of last year's campaign to collect scrap metal to meet the urgent wartime needs of steel mills," and added:

"The responsibility for persuading our people to put their surplus funds in the safest investment in the world lies largely with the newspapers."

## U. S. And Brazil Sign New Steel Credit Pacts

Agreements were signed at Rio de Janeiro on March 18 by representatives of Brazil and the United States providing for additional credits of \$34,000,000 for expediting Brazilian iron ore and steel production.

Warren Lee Pierson, President of the Export-Import Bank, signed for the United States, and Arthur de Souza Costa, Brazilian Finance Minister, for his country.

In reporting this action, Associated Press advices from Rio de Janeiro, said:

"The first provides an additional \$20,000,000 credit from the United States Export-Import Bank for equipment and construction at Brazil's national steel plant at Volta Redonda. In September, 1940, the United States had granted a \$25,000,000 credit in connection with the basic Brazilian steel agreement.

"The second agreement formalized in a contract the accord for development of Itabira and Vale do Rio Doce enterprises reached at Washington last year by Mr. Souza Costa and the United States and British governments.

"Itabira is the site of some of the world's finest iron ore. Vale do Rio Doce enterprises provide for the development and transportation of the Itabira ore seaward.

"Under the Vale do Rio Doce agreement the United States granted Brazil \$14,000,000 credit to purchase equipment for the improvement and enlargement of the facilities of Vitoria & Minas Railway and the Itabira mine.

"The British and Brazilian governments agreed to buy out the stockholders, and the railway and mine became Brazilian government-owned.

"Under the contract the term of maturity of the \$14,000,000 note, originally 20 years, was extended to 25 years."

The signing a year ago of Lend-Lease compacts between the United States and Brazil, involving an arrangement for developing Brazil's strategic materials and natural resources and the extension of a credit up to \$100,000,000 for financing dollar expenditures incident to Brazil's productive resources program, was referred to in these columns March 12, 1942, page 1064.

## Army Reports To Cotton Industry At N. Y. Forum

"The Army Reports to the Cotton Industry" was the subject of the second National Cotton Conference-Forum held under the auspices of the New York Cotton Exchange at the Biltmore Hotel on March 8.

Like the first forum, the important part played by cotton in the war effort was discussed by a panel of distinguished representatives of the War Department and the United States Army. Col. Robert T. Stevens, Chief of the Textile and Clothing Branch, Procurement Division of the Quartermaster General's Office, spoke on the place of cotton in relation to the Army and gave some indications of future Army needs.

Col. Stevens was followed by Maurice Hirsch, Chief of the Settlement Division, War Department, Price Adjustment Board, who took up important questions involved in contract renegotiation. Col. A. Robert Ginsburgh, Aide to the Under-Secretary of War, Robert P. Patterson, outlined war needs and patterns.

Robert J. Murray, President of the Cotton Exchange, opened the forum and reiterated the idea behind these national industry-wide meetings. He again emphasized that they are sponsored by the New York Cotton Exchange in the firm conviction that they are providing a much needed sounding board for the entire industry. Mr. Murray further stated:

"The cotton industry is a tremendous part of our great civilization and the New York Cotton Exchange is an essential part of the vast cotton industry. History records that all civilizations that did not have the use of cotton at their command failed to attain any high degree of culture or achievement. The part played by American cotton assumes epic proportions in the ever forward march of this nation to greatness. The New York Cotton Exchange is justifiably proud of its essential part in bringing the cotton industry to its present high state of efficiency. For almost three-quarters of a century it has been the nerve center of the industry. It has grown from an association of brokers into an international institution. The problem of each succeeding decade seems to bring it renewed vitality. It is through the mechanism of the Exchange that the free play of economic forces, upon which the great advances and power of our nation are based, have been accurately reflected and brought under control for the benefit of all through the collective activities of those engaged in producing, fabricating and distributing the fiber. These public forums for the exploration and discussion of the problems confronting the industry constitute a logical development of the long heritage of responsibility of the New York Cotton Exchange."

Col. Stevens, in his remarks, had the following to say in part:

"In pounds, in dollar value, and in diversity of military use, there is no basic raw material used by the Quartermaster Corps which ranks with cotton. In normal times, it is estimated that 12 to 13 million Americans, approximately 10% of the population of our country, are dependent directly or indirectly upon cotton. This starts with the cotton farmer, who is the man that actually provides us with this vital raw material, upon which we are so dependent. Then there are the ginners, the cotton merchants, the warehouse men, the shippers, those engaged in transportation of cotton, the spinners, the weavers, the finishers, the fabricators, the converters, the wholesalers, the retailers and many others who, in normal times, deal with cotton from the seed to the point where cotton products reach the hands of the ultimate consumer.

"In these normal times, the Armed Forces have constituted a relatively small factor in the over-all picture of cotton and its products. During that period, however, the Army has taken an active interest in cotton textiles.

It has surveyed mills throughout the industry and tabulated their facilities for possible use on military fabrics in time of war. It has trained its own textile technicians and has sent numbers of Army officers through various textile schools. It has studied its own needs for cotton military fabrics. It has conducted extensive research and experimentation for many years. The Army had, in brief, laid a foundation in time of peace upon which it could build securely in time of war. . . .

"On repeated occasions, the Quartermaster General and other important officers of his organization have lauded the cooperation of the cotton textile industry. Thus far, every objective has been met. In some instances, objectives were not achieved as quickly as was desired and in other instances the use of substitutes became necessary. By and large, however, the performance of the cotton textile industry must be ranked in the forefront of American industrial achievement in this war.

"The production of the cotton textile industry during 1942 reached dizzy totals which were hitherto deemed impossible. For many years this industry had set itself the objective of building up a program involving the ultimate consumption of 10,000,000 bales of cotton in a single year. With normal annual consumption running at the rate of six to seven million bales per year, this was a commendable goal. This goal, however, was literally torn to bits in 1942 when the industry consumed approximately 11,500,000 bales—a figure which, for the first time in history, closely approximated the total of the year's cotton crop itself. This astonishing job of converting cotton into products vital to the armed forces and essential to civilian needs is all the more remarkable when one considers that it was accomplished by the smallest amount of machinery in place in many years. In 1926 there were nearly 38,000,000 spindles in place in the cotton textile industry.

"Owing to the vicissitudes of the '20s and '30s in cotton manufacturing spindles in place decreased steadily. However, vast improvement in machinery during that period, coupled with multiple shifts, made last year's record-breaking manufacturing job possible with only about 24,000,000 spindles in place. The cotton textile industry, finally turned loose and urged for the first time to really produce, demonstrated its actual productive capacity."

Col. Ginsburgh discussed "The Progress of the War—Its Pattern and Needs."

At the end of the business session provision was made for sending written questions to the participants in the forum.

Like the first Forum, this second National Cotton Conference-Forum of the New York Cotton Exchange brought out a large attendance, numbering many representatives of Government, cotton brokers, bankers, fabricators and economists.

The January form meeting was referred to in these columns of Feb. 4, page 500.

### New Cotton Exch. Member

Robert J. Murray, President of the New York Cotton Exchange, announced on April 2 that John L. Goodbody of Goodbody & Co., New York, has been elected to membership in the Cotton Exchange. Mr. Goodbody is also a member of the Chicago Board of Trade and the New York Commodity Exchange.

## Arnold Sworn In As Federal District Judge

Thurman Arnold was sworn in on March 17 as an Associate Justice of the U. S. Court of Appeals for the District of Columbia. Mr. Arnold, who was Assistant Attorney General in charge of the Justice Departments' Anti-Trust Division, succeeds Wiley B. Rutledge, new Associate Justice of the U. S. Supreme Court. President Roosevelt nominated Mr. Arnold on Feb. 11 and the Senate confirmed the appointment on March 9.

The President's nomination was referred to in our issue of Feb. 25, page 763.

Mr. Arnold was tendered a testimonial dinner in Washington on March 9 by his friends and associates of the Anti-Trust Division, which was attended by many officials in Government and business. In an address on that occasion, Mr. Arnold called for the preservation of "the Fifth Freedom—the right to produce—against the private seizure of industrial domination"—adding that "the paths to all the other freedoms will be kept clear and America will again become the land of unreamed-of opportunity." He warned against permitting the "industrial bureaucracy of domestic and international cartels to gain a position of control during the war" and in this way stifle opportunities for independent initiative.

Mr. Arnold's remarks follow, in part:

"The great struggle between economic forces which is going on behind our armies in the field is not a struggle for profits—it is a struggle for domination of industry after the war. That struggle comes from fear of the tremendous productive energy of the new world. We are on the verge of a new industrial age—the age of light metals and chemicals—which may bring a higher standard of living than the world has ever known before, better housing, better transportation, more abundant food. Against this opportunity stand the forces which seek to establish an industrial bureaucracy in control of the production of that new age—the domestic and international cartels. If the principles of the Sherman Act are kept alive, if we are vigilant in attacking that power to control production, case by case, whenever it shows its head, the consumer dollar will be bigger than it ever was before. Products of the farms producing to the utmost can be exchanged for the full production of industry."

## Proclaims May 16 'I Am An American Day'

President Roosevelt on March 12 proclaimed May 16 as "I Am An American Day," under a custom established by Congress in 1940.

In his proclamation, the President urged that the day be set aside as a public occasion for the recognition of all our citizens who have attained their majority or who have been naturalized during the past year. Mr. Roosevelt also said that in the last year the country "has been strengthened through the voluntary association with us, by naturalization, of the many thousands of men and women from other lands and through our youth who, by coming of age, have attained full citizenship."

The President called upon "Federal, State and local officials and patriotic, civic and educational organizations to take part on or about May 16 in exercises designed to assist our citizens, both native-born and naturalized, to understand more fully the duties and opportunities of citizenship and its special responsibilities in a nation at war."

## Factory Workers' Hours, Earnings Drop In Jan. But Are Above Jan., 1942, Labor Dept. Reports

With the 48-hour scheduled work week typical in war industries the average hours worked per week in all manufacturing was 44.2 in January which was 0.6% lower than in the preceding month but 5.8% higher than in January 1942, Secretary of Labor Frances Perkins reported on March 30. The seasonal decline in hours between December and January averages four times greater than occurred this year.

"In the non-durable goods industries working hours averaged 41.8 per week, 6.6% higher than in January, 1942, while in the durable goods industries the average actually worked was 45.9, about 5% more than a year before," stated Miss Perkins, who further said:

"Industries reporting averages of 46 hours or more actually worked are operating on a 48-hour schedule. Of the 16 industries reporting in the electrical machinery, other machinery, and transportation equipment groups, 12 show average hours in excess of 46 and 2 of the remaining 4 industries are within 20 minutes of that mark. In the engines and turbines, machine tools, and textile machinery industries the hours averaged 50 or more.

"Among the 52 industries shown in the non-durable goods industries only 5 reported 46 hours or more per week—butter, flour, explosives, cottonseed oil, and professional and scientific instruments—while 13 showed hours of work under 40. Most of these latter were in tobacco and apparel industries.

"Of the 13 non-manufacturing industries for which man-hour information is available, the longest work week, 49.3 hours, is reported by street railways and buses, an increase of 5.8% over the year. Most of the other industries reported between 40 and 45 hours. In anthracite, reflecting part time during the pay period because of the strike, 30.9 hours were shown, a decline of 14.0% from December but 14.2% higher than in January, 1942. In bituminous coal mining the average hours per week was 34.8% less than in December but a gain of about 10% over the year. The two coal mining industries measure time spent at the face of the coal rather than time after reporting for work at the mine. The hours worked in coal mines, therefore, cannot be compared with time worked in manufacturing industries. In many mines travel time to the face of the coal averages more than one hour a day, which is not counted as working time.

"Hourly earnings in January, including overtime premiums, and shift differentials averaged 101.5 cents in the durable goods industries, an increase of 14.0% over the year. The increase of 1.1% since December was probably caused largely by the payment of a premium for work on New Year's in firms that report a monthly or semi-monthly pay roll rather than a weekly pay roll. This probably accounts for the increase in iron and steel, for example, in which industry almost no rate changes were reported. In the non-durable goods industries earnings averaged 76.8 cents per hour, 0.6 cents higher than in December.

"All of the major non-manufacturing industry groups reported slightly higher hourly earnings in January as compared with December except hotels which showed a decline of 1.3%. Over the year interval, an increase in earnings of 14.9% was reported by dyeing and cleaning establishments; 12% in quarries; 11.2% in metal mines; and 10.1% in laundries.

"Weekly earnings averaged \$40.58 in January in manufacturing as a whole, an advance of 0.9% since December and of 22.9% since January 1942. In the durable goods industries earnings of \$46.59 per week were 0.9% above those of December and 21.2% above those of January, 1942. Weekly earnings in non-durable

goods industries were about the same as in December, \$32.10, 19.6% more than a year earlier."

## Morgenthau Names Three As Counsel Aides

Secretary of the Treasury Morgenthau announced on March 23 the appointment of Thomas J. Lynch of Toledo, Ohio; Eugene F. Roth of New York City, and Ansel F. Luxford of St. Paul, Minn., as Assistants General Counsel in the Treasury Department. The Treasury announcement states:

"Mr. Lynch attended the University of Michigan School of Engineering and School of Law, receiving a degree of Doctor of Jurisprudence from the latter in 1925. He comes to the Treasury from the War Production Board, where he was an Assistant General Counsel. His government experience includes service in the Anti-Trust Division of the Department of Justice and in the Securities and Exchange Commission. From the time of his graduation from law school until he entered the Government service in 1934, Mr. Lynch was associated with the Toledo law firm of Marshall, Melhorn, Morlar & Martin.

"Mr. Roth is a graduate of Columbia University and of Columbia Law School, having graduated from the latter in 1926. Since graduation he has been engaged in the private practice of law in New York City, except for a period in 1934, when he served with the National Recovery Administration, and for the greater part of the past year, during which time he has been with the Special War Policies Unit of the Department of Justice.

"Mr. Luxford has been with the Treasury since 1935, except for a brief period in 1939 and 1940, when he was engaged in the private practice of the law in St. Paul. Mr. Luxford received his undergraduate training at the University of Iowa in Iowa City, Iowa; Creighton University, Omaha, Neb., and the Catholic University of America in Washington, D. C., receiving a degree of bachelor of science from the last-mentioned school. He also received a bachelor of laws degree from the law school of Catholic University, having graduated in 1935. He received a four-year scholarship at the Catholic University from the John K. Mullen of Denver Foundation."

## First Cotton Forum Proceedings Issued

The New York Cotton Exchange has just released the transcript of the entire proceedings of its first National Cotton Conference-Forum held at the Biltmore Hotel, New York City, on Jan. 29. This pamphlet contains the addresses of Grover B. Hill, Assistant Secretary of Agriculture; Herman Cone, President of the American Cotton Manufacturers Association; J. P. Lipscomb of the Mississippi Farm Bureau Federation, and Robert F. Loree, Vice-President of the Guaranty Trust Co. of New York. In addition, there are 12 pages of questions and answers developed during the forum session. Copies of these pamphlets are available from the Exchange and through the offices of its members.

The conference speeches were referred to in our issue of Feb. 4, page 500.

## Daily Average Crude Oil Production For Week Ended March 27, 1943 Decreased 7,400 Barrels

The American Petroleum Institutes estimates that the daily average gross crude oil production for the week ended March 27, 1943, was 3,896,250 barrels, a decline of 7,400 barrels from the preceding week. The current figure, however, was 76,400 barrels higher than the daily average during the corresponding period last year, but was 297,550 barrels below the daily average figure recommended by the Petroleum Administration for War for the month of March, 1943. Daily output for the four weeks ended March 27, 1943, averaged 3,891,100 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 3,742,000 barrels of crude oil daily and produced 10,231,000 barrels of gasoline; 3,541,000 barrels of distillate fuel oil and 8,018,000 barrels of residual fuel oil during the week ended March 27, 1943, and had in storage at the end of that week 94,079,000 barrels of gasoline, 30,980,000 barrels of distillate fuels and 67,938,000 barrels of residual fuel oils. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

| State                           | *P.A.W. Recommendations | *State Allowables | Actual Production       |                           | 4 Weeks Ended Mar. 27 1943 | Week Ended Mar. 28 1942 |
|---------------------------------|-------------------------|-------------------|-------------------------|---------------------------|----------------------------|-------------------------|
|                                 |                         |                   | Week Ended Mar. 27 1943 | Change from Previous Week |                            |                         |
| Oklahoma                        | 390,700                 | 390,700           | 345,650                 | + 3,200                   | 339,400                    | 387,350                 |
| Kansas                          | 309,900                 | 309,900           | 308,900                 | - 6,500                   | 302,600                    | 238,900                 |
| Nebraska                        | 2,800                   |                   | 12,150                  | - 200                     | 2,200                      | 4,150                   |
| <b>Panhandle Texas</b>          |                         |                   | 88,600                  |                           | 88,600                     | 89,200                  |
| North Texas                     |                         |                   | 137,000                 |                           | 136,350                    | 148,800                 |
| West Texas                      |                         |                   | 218,100                 |                           | 218,050                    | 233,200                 |
| East Central Texas              |                         |                   | 59,800                  |                           | 99,800                     | 90,000                  |
| East Texas                      |                         |                   | 323,400                 |                           | 323,400                    | 368,200                 |
| Southwest Texas                 |                         |                   | 173,450                 | + 1,050                   | 172,800                    | 195,850                 |
| Coastal Texas                   |                         |                   | 352,600                 | - 1,000                   | 353,650                    | 284,900                 |
| <b>Total Texas</b>              | <b>1,502,000</b>        | <b>1,501,801</b>  | <b>1,392,950</b>        | <b>+ 50</b>               | <b>1,392,650</b>           | <b>1,410,150</b>        |
| North Louisiana                 |                         |                   | 89,250                  | + 300                     | 89,200                     | 81,100                  |
| Coastal Louisiana               |                         |                   | 250,600                 |                           | 250,600                    | 253,800                 |
| <b>Total Louisiana</b>          | <b>349,800</b>          | <b>370,300</b>    | <b>339,850</b>          | <b>+ 300</b>              | <b>339,800</b>             | <b>334,900</b>          |
| Arkansas                        | 78,700                  | 74,826            | 70,850                  | + 50                      | 71,150                     | 76,750                  |
| Mississippi                     | 50,000                  |                   | 153,700                 | - 4,600                   | 55,200                     | 94,250                  |
| Illinois                        | 262,300                 |                   | 228,200                 | - 1,200                   | 236,900                    | 317,550                 |
| Indiana                         | 16,500                  |                   | 115,950                 | + 2,200                   | 15,250                     | 19,350                  |
| Eastern (not incl. Ill. & Ind.) | 115,000                 |                   | 93,150                  | - 2,200                   | 92,400                     | 96,800                  |
| Michigan                        | 63,700                  |                   | 56,400                  | + 700                     | 57,800                     | 45,900                  |
| Wyoming                         | 92,500                  |                   | 91,400                  | + 1,350                   | 88,950                     | 91,000                  |
| Montana                         | 23,400                  |                   | 17,800                  |                           | 17,800                     | 21,400                  |
| Colorado                        | 7,000                   |                   | 6,700                   | + 150                     | 6,750                      | 5,600                   |
| New Mexico                      | 105,800                 | 105,800           | 82,400                  |                           | 93,450                     | 92,800                  |
| <b>Total East of Calif.</b>     | <b>3,370,100</b>        |                   | <b>3,116,050</b>        | <b>- 7,100</b>            | <b>3,112,300</b>           | <b>3,236,850</b>        |
| California                      | 823,700                 | 823,700           | 780,200                 | - 300                     | 778,800                    | 583,000                 |
| <b>Total United States</b>      | <b>4,193,800</b>        |                   | <b>3,896,250</b>        | <b>- 7,400</b>            | <b>3,891,100</b>           | <b>3,819,850</b>        |

\*P.A.W. recommendations and state allowables represent the production of all petroleum liquids, including crude oil, condensate and natural gas derivatives recovered from oil, condensate and gas fields. Past records of production indicate, however, that certain wells may be incapable of producing the allowables granted, or may be limited by pipeline prorations. Actual state production would, under such conditions, prove to be less than the allowables. The Bureau of Mines reported the daily average production of natural gasoline and allied products in December, 1942, as follows: Oklahoma, 29,600; Kansas, 5,900; Texas, 107,400; Louisiana, 21,500; Arkansas, 2,700; Illinois, 10,200; Eastern (not including Illinois and Indiana), 12,600; Michigan, 100; Wyoming, 2,500; Montana, 400; New Mexico, 5,700; California, 43,900.

†Oklahoma, Kansas, Nebraska, Mississippi, Indiana figures are for week ended 7 a.m. March 24.

‡This is the net basic allowable as of March 1 calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 3 to 14 days, the entire state was ordered shutdown for 11 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 11 days shut-down time during the calendar month.

### CRUDE RUNS TO STILL: PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED MARCH 27, 1943

(Figures in Thousands of barrels of 42 Gallons Each)

| District   | Daily Refining Capacity | Potential % Re-Porting | Crude Runs to Stills Daily Average | Gasoline Production |                    |                   |                             |
|--|-------------------------|------------------------|------------------------------------|---------------------|--------------------|-------------------|-----------------------------|
|  |                         |                        |                                    | at Re-fineries      | Stocks of Gasoline | Stocks of Gas Oil | Stocks of Residual Fuel Oil |
| *Combin'd: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana - Arkansas and Inland Texas | 2,444                   | 88.7                   | 1,722                              | 70.5                | 4,624              | 40,715            | 14,127                      |
| Appalachian  | 177                     | 84.8                   | 158                                | 89.3                | 429                | 2,497             | 881                         |
| Ind., Ill., Ky.  | 811                     | 85.0                   | 715                                | 88.2                | 2,190              | 20,786            | 3,184                       |
| Okl., Kansas, Mo.  | 416                     | 80.1                   | 340                                | 87.7                | 1,012              | 7,314             | 1,665                       |
| Rocky Mountain   | 147                     | 43.0                   | 85                                 | 57.8                | 256                | 2,074             | 354                         |
| California   | 817                     | 89.9                   | 722                                | 88.4                | 1,720              | 20,693            | 10,769                      |
| <b>Tot. U. S. B. of M. basis March 27, 1943</b>  | <b>4,812</b>            | <b>86.2</b>            | <b>3,742</b>                       | <b>77.8</b>         | <b>10,231</b>      | <b>94,079</b>     | <b>30,980</b>               |
| <b>Tot. U. S. B. of M. basis March 20, 1943</b>  | <b>4,812</b>            | <b>86.2</b>            | <b>3,618</b>                       | <b>75.2</b>         | <b>10,261</b>      | <b>94,159</b>     | <b>31,724</b>               |
| U. S. Bur. of Mines basis March 28, 1942   |                         |                        | 3,633                              |                     | 11,676             | 107,162           | 30,659                      |

\*At the request of the Petroleum Administration for War. †Finished, 83,864,000 barrels; unfinished, 10,215,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 3,541,000 barrels of gas oil and distillate fuel oil and 8,018,000 barrels of residual fuel oil produced in the week ended March 27, 1943, which compares with 3,822,000 barrels and 7,312,000 barrels, respectively, in the preceding week, and 3,661,000 barrels and 6,344,000 barrels, respectively, in the week ended March 28, 1942.

## Wholesale Commodity Index Rises To New High During Week Ended Mar. 27, Labor Dept Reports

The U. S. Department of Labor announced on April 1 that the Bureau of Labor Statistics' comprehensive index of prices in primary markets rose 0.3% to a new high during the week ended March 27 as a result of a marked increase in prices for farm products. At 103.3% of the 1926 average the all-commodity index was at the highest level since late in 1925.

The Department's announcement further stated: "Farm Products and Foods: Following the decline of the pre-

ceding week, average prices of farm products in primary markets rose 1.5% during the week ended March 27 to the highest level since October, 1920. Sharp advances in prices for grains, livestock, eggs, fruits, and vegetables contributed in large measure to the rise. Quotations for oats were up 3.5%; wheat, 1.4%, and corn and rye, 0.3%. Hogs advanced about 2.5% during the week and steers increased approximately 1%. Seasonally higher prices were reported for apples and onions, and for potatoes in the Portland, Oregon, market. Hay and seeds also advanced.

"Food prices advanced 0.5% during the week. In addition to higher prices for fruits, vegetables, and eggs, price increases were reported for most cereal products, including wheat flour, oatmeal and corn meal. Quotations for lemons and for potatoes in eastern markets declined during the week.

"Industrial Commodities: Except for increases of 4.8% for ergot and 2.9% for rosin and a decrease of 0.4% for turpentine, industrial commodity markets remained steady during the week."

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

The following table shows index numbers for the principal groups of commodities for the past three weeks, for Feb. 27, 1943 and March 28, 1942 and the percentage changes from a week ago, a month ago and a year ago:

| Commodity groups—                                       | (1926=100) |           |           |           | Percentage changes to |           |           |           |
|---|------------|-----------|-----------|-----------|-----------------------|-----------|-----------|-----------|
|   | 3-27 1943  | 3-20 1943 | 3-13 1943 | 2-27 1943 | 3-28 1943             | 3-20 1943 | 2-27 1943 | 3-28 1942 |
| All commodities.....                                    | 103.3      | *103.0    | *103.2    | *102.7    | 97.4                  | +0.3      | +0.6      | +6.1      |
| Farm products.....                                      | 124.2      | 122.4     | 123.5     | 121.2     | 103.4                 | +1.5      | +2.5      | +20.1     |
| Foods.....  | 107.6      | 107.1     | 107.0     | 106.0     | 95.9                  | +0.5      | +1.5      | +12.2     |
| Hides and leather products.....                         | 118.4      | 118.4     | 118.4     | 118.4     | 117.6                 | 0         | 0         | +0.7      |
| Textile products.....                                   | 96.8       | 96.8      | 96.8      | 96.8      | 95.9                  | 0         | 0         | +0.9      |
| Fuel and lighting materials.....                        | 80.8       | 80.8      | 80.7      | 80.7      | 78.1                  | 0         | +0.1      | +3.5      |
| Metals and metal products.....                          | *103.9     | *103.9    | *103.9    | *103.9    | 103.7                 | 0         | 0         | +0.2      |
| Building materials.....                                 | 110.4      | 110.4     | 110.4     | 110.0     | 110.6                 | 0         | +0.4      | -0.2      |
| Chemicals and allied products.....                      | 100.0      | 100.0     | 100.0     | 100.3     | 97.1                  | 0         | -0.3      | +3.0      |
| Housefurnishing goods.....                              | 104.2      | 104.2     | 104.2     | 104.1     | 104.1                 | 0         | +0.1      | +0.1      |
| Miscellaneous commodities.....                          | 91.2       | 91.2      | 91.2      | 90.9      | 89.7                  | 0         | +0.3      | +1.7      |
| Raw materials.....                                      | 112.5      | 111.5     | 112.1     | 110.6     | 98.3                  | +0.9      | +1.7      | +14.4     |
| Semimanufactured articles.....                          | 92.9       | 92.9      | 92.9      | 92.8      | 92.2                  | 0         | +0.1      | +0.8      |
| Manufactured products.....                              | *100.7     | *100.6    | *100.6    | *100.5    | 97.9                  | +0.1      | +0.2      | +2.9      |
| All commodities other than farm products.....           | *98.8      | *98.8     | *98.8     | *98.7     | 96.1                  | 0         | +0.1      | +2.8      |
| All commodities other than farm products and foods..... | *96.6      | *96.6     | *96.6     | *96.5     | 95.3                  | 0         | +0.1      | +1.4      |

\*Preliminary.

## Non-Ferrous Metals—Copper Sulphate Price Lowered—Lead Ingot Premium At Old Level

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 April 1, stated: "Ordinarily an item of little consequence in the market for non-ferrous metals, copper sulphate last week attracted attention because OPA lowered the price 15 points 'to save users of the product approximately \$250,000 a year.' As a result of the price change, some producers are expected to have a real operating problem on their hands, as they are forced to use lower grades of raw material to make the sulphate and costs have risen. To meet the cost of producing primary lead in ingot form, OPA advanced the differential to the old level of \$10 a ton. Metals Reserve Co. extended its purchase programs for domestic quicksilver, tungsten, and small lots of chrome, manganese, tin and antimony ores from Dec. 31, 1943, to Dec. 31, 1944. The right to terminate the programs for quicksilver and tungsten after Dec. 31, 1943, by effecting settlements is retained." The publication further went on to say, in part:

"Effective April 3, OPA set the ceiling price of copper sulphate at \$5 per 100 pounds, a reduction of 15¢ from the quotation previously in effect on carload lots, f.o.b. New York. The new basis is established in Maximum Price Regulation No. 354. The figure named is described as the base price to which the seller applies the same cash and other discounts and practices with regard to freight payments as were applied during the 1942 selling season (the three-months' period ended March 31) on sales to the same purchaser.

"Chile Exploration Co. is expanding the mining and treatment facilities for copper production at Chuquicamata, Chile, to increase output substantially, according to the annual report to stockholders. This program, undertaken at the request of the Government, involves the expenditure of \$5,000,000, to be advanced by the Government and to be retired as the copper production from the additional facilities is sold. Through arrangements with Metals Reserve

Co., Cananea Consolidated, operating in Mexico, is expanding operations at a cost of \$12,000,000. "Domestic copper is moving into consumption on the basis of 12¢, Connecticut Valley. Foreign copper is being purchased by Metals Reserve Co. on the basis of 11.75¢, f.a.s. United States ports. In other words, the price situation remains unchanged.

"Metals Reserve released a fairly large tonnage of foreign lead to supplement April deliveries by domestic producers, indicating that consumption is probably increasing. Sales for the last week in common lead were about the same as in the week previous. Excepting a revision in ingots and linked ingots, the price situation in lead was unchanged.

"On April 3, the maximum prices of ingots and linked ingots of primary lead will be restored to the former level of \$10 per ton above the maximum prices fixed for primary pig lead, OPA announced during the last week. This action is covered in Amendment No. 4 to Revised Price Schedule No. 60. On Jan. 20 of the current year, OPA lowered the differential on ingots to \$5. Since that date OPA reports, it was found that the reduced price was insufficient to cover the cost of producing primary lead in ingot form.

"April allocations of zinc came through as expected, and the tonnage to be distributed during the month will be about the same as in March. Quotations were unchanged. The trade attached no significance to the resignation of two officials from the Zinc Division of WPB other than the un-

derstandable move to obtain better positions elsewhere.

derstandable move to obtain better positions elsewhere.

**Aluminum**  
"OPA last week established maximum price level for pig aluminum at 1¢ a pound below ingots. Heretofore, maximum prices obtained only on ingots, which automatically became established at the 15¢ level under the General Maximum Price Regulation. Pig aluminum, OPA pointed out, was not sold by primary producers in the March, 1942, base period. Ceiling prices on pig aluminum range from 13¢ to 24¢ per pound, according to grade. The so-called standard grade, 99% aluminum, is quoted at 14¢ a pound by the leading interest.

**Tin**  
"Production of tin at the smelter in Texas is increasing, and trade estimates now have it that output at present is at the rate of about 2,500 tons a month. The smelter is producing two grades, with most of the output consisting of 'Grade A' tin, which is the equivalent of Straits.

"Though production of tin-plate will be high during the second quarter, consumption of tin will be reduced in that industry as a result of increased activity of plants using the electrolytic plating process.

"The price of tin was unchanged last week. Straits quality tin for shipment was as follows:

|          | April  | May    | June   |
|----------|--------|--------|--------|
| March 25 | 52,000 | 52,000 | 52,000 |
| March 26 | 52,000 | 52,000 | 52,000 |
| March 27 | 52,000 | 52,000 | 52,000 |
| March 29 | 52,000 | 52,000 | 52,000 |
| March 30 | 52,000 | 52,000 | 52,000 |
| March 31 | 52,000 | 52,000 | 52,000 |

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

**Quicksilver**

"Consumption of quicksilver in the United States continues at a high rate and operators are experiencing no difficulty in disposing of their production as far ahead as next July. Quotations in New York held at \$196 to \$198 per flask.

**Silver**

"Canada produced 1,605,991 ounces of silver during January, which contrasts with 1,633,864 ounces in December and 1,538,259 ounces in January last year, according to the Dominion Bureau of Statistics.

"During the last week the silver market in London remained inactive, with the price steady at 23½d. an ounce troy. The New York Official and the Treasury prices were 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.

## WPB Steel Labor Group

The appointment of a labor advisory committee for the War Production Board's Steel Division was recently announced by Donald M. Nelson, WPB Chairman. The committee, designed to help expand steel production by promoting "further co-operation of labor and management in the steel industry," is headed by Philip Murray, President of the CIO and of the United Steel Workers of America.

The other six members, all officials of the United Steel Workers of America, are: David J. MacDonald, Secretary-Treasurer; Clinton S. Golden, Assistant to the President; Lee Pressman, General Counsel; Van A. Bittner, Assistant to the President; James J. Thomas, executive board member and director of the Homestead district; and Joseph Germano, executive board member and director of the Chicago-Gary district.

# January Food Deliveries For Shipment To Allied Nations Total 447,000,000 Pounds

The Department of Agriculture reported on March 24 that 447,000,000 pounds of foodstuffs and other agricultural commodities were delivered by the Food Distribution Administration during January for shipment to the Allied nations. This, according to the Department, "was less than the average monthly deliveries for shipment in 1942."

The Department's announcement added:

"The report reflected the first substantial shipments to North Africa, the FDA having delivered about 26,000,000 pounds for this destination during the month, including wheat, sugar, flour, evaporated milk and soap.

"As in previous months, the commodities shipped in largest volume in January were pork and pork products, dairy products, eggs, and fats and oils. Larger deliveries also were made of seeds, soya products, granulated sugar and cornstarch.

"Due to a shift in shipping space requirements during the month, grain and cereal products dropped considerably under December deliveries. The space released made possible larger deliveries of energy-giving and heat-producing meats and other protein foods needed by the Russians for winter fighting."

The statistics presented in the Department's announcement follow:

ESTIMATED DELIVERIES FOR UNITED NATIONS SHIPMENT JANUARY, 1943, CALENDAR YEAR 1942, AND CUMULATIVE SINCE APRIL 29, 1941 (Stated in Pounds)

| Commodity                          | January     | 1942          | Cumulative    |
|------------------------------------|-------------|---------------|---------------|
| <b>Dairy and Poultry Products—</b> |             |               |               |
| Butter                             | 1,460,680   | 17,605,656    | 19,066,336    |
| Cheese, American                   | 4,672,670   | 297,297,280   | 393,023,710   |
| Cheese, Processed                  | 183,680     | 14,757,120    | 14,940,800    |
| Chicken and Turkey, Canned         | 6,778,624   | 6,778,624     | 6,825,664     |
| Eggs, Dried                        | 19,882,240  | 140,800,450   | 185,880,450   |
| Eggs, Frozen                       | 6,807,360   | 57,368,640    | 57,368,640    |
| Eggs, Shell                        | 1,682,240   | 40,158,720    | 40,158,720    |
| Milk, Condensed                    | 318,080     | 1,862,406     | 2,180,486     |
| Milk, Dry Power Mixture A          | 8,695,680   | 135,170,080   | 173,574,880   |
| Milk, Dry Skim                     | 49,280      | 3,545,630     | 3,594,910     |
| Milk, Dry Whole                    | 33,306,851  | 348,663,350   | 857,235,893   |
| Milk, Evaporated                   | 68,569,161  | 975,003,796   | 1,753,884,089 |
| <b>Meats—</b>                      |             |               |               |
| Army Ration, Canned                | 2,700       | 8,464,780     | 9,584,510     |
| Beef Meat Products                 |             |               |               |
| Beef Extract                       | 224,129     | 224,129       | 224,129       |
| Beef Burgs                         | 512,960     | 512,960       | 512,960       |
| India Mess Beef                    | 443,520     | 443,520       | 443,520       |
| Dehydrated Beef                    | 47,246      | 47,246        | 47,246        |
| Dried Beef                         | 10,994      | 10,994        | 10,994        |
| Lamb and Mutton                    | 28,123,200  | 4,327,680     | 32,450,880    |
| Pork Meat Products                 |             |               |               |
| Canned                             | 51,488,784  | 706,917,069   | 919,936,733   |
| Cured, Smoked and Frozen           | 44,154,880  | 342,644,509   | 568,855,389   |
| Dehydrated Pork                    | 33,600      | 33,600        | 33,600        |
| Frozen Loins                       | 68,578,854  | 68,578,854    | 68,578,854    |
| Frozen Trimmings                   | 1,379,840   | 2,947,840     | 4,327,680     |
| Hog Casings                        | 795,200     | 5,403,104     | 8,294,944     |
| Livers and Kidneys                 | 1,169,280   | 4,036,480     | 5,205,760     |
|                                    | 127,113,884 | 1,144,581,771 | 1,618,610,239 |
| <b>Fish—</b>                       |             |               |               |
| Fish, Canned                       | 15,405,512  | 157,782,674   | 276,956,186   |
| Fish, Canned Flaked                |             | 389,760       | 389,760       |
|                                    | 15,405,512  | 158,172,434   | 277,345,946   |
| <b>Fats and Oils—</b>              |             |               |               |
| Beef Suet                          | 7,200       | 158,137       | 165,337       |
| Lard                               | 18,890,142  | 571,614,635   | 844,023,497   |
| Linseed Oil, Inedible              | 6,728       | 6,728         | 6,728         |
| Oleo Oil                           | 6,168,960   | 6,168,960     | 6,168,960     |
| Oleomargarine                      | 682,780     | 31,842,058    | 33,644,839    |
| Salad Oils, Edible                 | 22,037,120  | 87,597,101    | 109,634,221   |
| Shortening                         | 3,622,080   | 3,926,615     | 7,548,695     |
| Tallow, Edible                     | 2,119,040   | 13,561,271    | 15,680,311    |
| Rendered Pork Fat                  | 143,360     | 3,093,440     | 3,236,800     |
|                                    | 47,501,722  | 717,968,945   | 1,020,653,708 |
| <b>Fruits and Fruit Products—</b>  |             |               |               |
| Apples, Dried                      |             | 7,356,885     | 16,596,160    |
| Apples, Fresh                      |             | 12,102,720    | 21,224,000    |
| Apple, Pomace, Dried               |             | 557,760       | 1,980,160     |
| Apricots, Canned (Syrup Pack)      | 28,275      | 6,038,195     | 6,038,195     |
| Apricots, Canned (Pie Pack)        |             | 11,872,000    | 11,923,520    |
| Apricots, Dried                    | 3,125       | 4,727,300     | 17,833,525    |
| Cherries, Canned Sour              |             | 2,105,600     | 2,105,600     |
| Currants                           |             | 8,125         | 8,125         |
| Fruit, Canned (Misc.)              |             | 9,660,896     | 9,660,896     |
| Fruit, Dried (Misc.)               | 3,073,280   | 11,599,400    | 14,672,680    |
| Grapefruit Segments, Canned        |             | 5,400,840     | 5,400,840     |
| Grapefruit Oil                     |             | 26,614        | 26,614        |
| Grapefruit Pulp                    |             | 19,877,760    | 19,877,760    |
| Orange Pulp                        |             | 10,890,880    | 10,890,880    |
| Lemon Juice, Concentrated          | 194,880     | 2,260,156     | 2,609,596     |
| Lemon Oil                          | 66,777      | 162,800       | 229,577       |
| Orange Juice, Concentrated         | 1,164,800   | 16,007,036    | 19,185,596    |
| Orange Juice, Unconcentrated       | 358,400     | 759,360       | 1,117,760     |
| Orange Oil                         |             | 21,961        | 21,961        |
| Peaches, Canned (Syrup Pack)       |             | 9,246,720     | 9,246,720     |
| Peaches, Canned (Pie Pack)         |             | 29,326,080    | 29,326,080    |
| Peaches, Dried                     | 10,625      | 9,161,025     | 9,161,025     |
| Pears, Canned (Syrup Pack)         |             | 14,857,920    | 14,857,920    |
| Pears, Dried                       |             | 5,387,200     | 5,387,200     |
| Prepared Pure Fruit Juices         |             | 36,794        | 36,794        |
| Prunes, Canned (Syrup Pack)        |             | 8,319,360     | 8,319,360     |
| Prunes, Canned (Pie Pack)          |             | 2,477,660     | 13,717,760    |
| Prunes, Dried                      | 13,518,200  | 70,153,440    | 192,876,120   |
| Raisins, Dried                     | 13,384,955  | 83,986,635    | 184,251,370   |
| Raspberries, Processed             |             | 1,780,800     | 1,780,800     |
| Strawberries, Processed            |             | 23,069,500    | 23,186,200    |
|                                    | 31,803,317  | 289,031,977   | 642,876,994   |
| <b>Vegetables—</b>                 |             |               |               |
| Beans, Canned Green                | 34,710      | 1,897,806     | 2,009,705     |
| Beans, Canned (with pork)          |             | 11,306,970    | 76,383,450    |
| Beans, Canned (without pork)       | 504,830     | 19,167,493    | 19,672,323    |
| Beans, Dried                       | 27,978,833  | 116,406,043   | 330,815,596   |
| Beets, Canned                      | 86,978      | 1,450,380     | 1,605,876     |
| Carrots, Canned                    | 35,590      | 2,037,743     | 2,229,053     |
| Celery, Canned                     | 8,175       | 59,452        | 67,627        |
| Dehydrated Vegetables—             |             |               |               |
| Beets                              | 288         | 7,232         | 7,520         |
| Cabbage                            |             | 56,264        | 56,264        |
| Carrots                            | 7,072       | 41,622        | 48,694        |
| Onions                             |             | 8,797         | 8,797         |
| Potatoes                           | 100,810     | 788,432       | 889,242       |
| Turnips                            | 2,520       | 3,210         | 5,730         |
| Vegetables (Misc.)                 |             | 813,120       | 813,120       |
| Onions                             |             | 16,600        | 16,600        |
| Parsnips, Canned                   | 5,542       | 22,713        | 28,255        |

| Commodity                         | January    | 1942        | Cumulative    |
|-----------------------------------|------------|-------------|---------------|
| <b>Commodity</b>                  |            |             |               |
| Peas, Canned                      | 29,440     | 5,196,408   | 6,578,808     |
| Peas, Dried                       | 11,154,480 | 42,067,890  | 56,386,110    |
| Potatoes, Canned                  | 1,626,240  | 19,846,579  | 29,812,160    |
| Potatoes, White                   |            | 232,343     | 232,343       |
| Sauerkraut, Canned                |            | 35,122      | 35,122        |
| Spinach, Canned                   |            | 1,026,931   | 1,077,556     |
| Tomatoes, Canned                  | 39,207     | 3,604,149   | 101,123,676   |
| Tomato Paste, Canned              | 380,800    | 6,265,280   | 9,114,560     |
| Tomato Puree, Canned              |            | 2,812,294   | 2,812,294     |
| Turnips, Canned                   |            | 6,304       | 6,304         |
|                                   | 41,995,515 | 235,147,177 | 641,836,785   |
| <b>Grain and Cereal Products—</b> |            |             |               |
| Barley, Pearl                     | 300        | 22,709,316  | 22,709,616    |
| Barley, Roasted Cereal            |            | 140,000     | 140,000       |
| Biscuits (Hardbread)              | 20,550     | 5,156,080   | 7,226,230     |
| Buckwheat Cereal                  |            | 16,800      | 16,800        |
| Concentrated Cereal Foods         |            | 835,740     | 835,740       |
| Corn Grits                        | 165,760    | 2,470,150   | 2,635,910     |
| Cracked Wheat                     | 2,271,360  | 7,098,551   | 9,369,911     |
| Feeds—                            |            |             |               |
| Barley                            |            | 8,167,657   | 8,167,657     |
| Corn                              |            | 196,149,560 | 887,702,520   |
| Linseed Cake                      |            | 416,701     | 416,701       |
| Oats                              |            | 2,209,790   | 2,209,790     |
| Wheat                             | 7,840,000  | 61,608,090  | 80,993,008    |
| Wheat, Mill Run                   |            | 607,400     | 607,400       |
| Flour, Corn                       |            | 172,480     | 172,480       |
| Flour, Rye                        |            | 14,132,516  | 14,132,516    |
| Flour, Wheat                      | 21,582,400 | 222,408,841 | 273,390,751   |
| Macaroni                          |            | 16,000      | 16,000        |
| Malt                              | 22,522     | 28,710      | 51,232        |
| Oat Cereal                        | 2,103,360  | 23,180,639  | 65,075,359    |
| Rice, Milled                      | 13,148,280 | 43,399,780  | 56,548,060    |
| Semolina                          | 900,480    | 9,133,783   | 10,034,263    |
| Wheat Cereal                      |            | 66,120      | 66,120        |
|                                   | 48,055,012 | 620,124,704 | 1,442,572,064 |
| <b>Seeds—</b>                     |            |             |               |
| Agricultural                      | 9,237,760  | 21,201,716  | 31,866,356    |
|                                   | 9,237,760  | 21,201,716  | 31,866,356    |
| <b>Soya Products—</b>             |            |             |               |
| Soy Beans                         | 7,011,200  | 18,679,360  | 42,134,400    |
| Soy Flour and Grits               | 6,431,040  | 24,785,600  | 42,571,200    |
| Soya Sauce                        |            | 7,554       | 7,554         |
|                                   | 13,442,240 | 43,472,514  | 84,713,154    |
| <b>Vitamins—</b>                  |            |             |               |
| Carotene (In oil solution)        |            | 4,807       | 5,759         |
| Cod Liver Oil                     |            | 152,320     | 152,320       |
| Cyanaceta Mide                    |            | 4,384       | 8,822         |
| Diacetone—Gulosonic Acid          | 874        | 13,321      | 15,075        |
| Halibut Liver Oil                 |            | 672         | 672           |
| Riboflavin                        | 3          | 3           | 3             |
| Sorbos                            | 1,098      | 50,434      | 60,772        |
| Vitamin A, Fish Liver Oil         | 64,635     | 685,163     | 836,136       |
| Vitamin B1                        | 54         | 4,188       | 5,721         |
| Vitamin B6                        | 1          | 1           | 2             |
| Vitamin C, Ascorbic Acid          | 2,205      | 4,285       | 11,200        |
| Vioosterol                        | 23         | 23          | 23            |
|                                   | 68,893     | 919,575     | 1,096,509     |
| <b>Miscellaneous Foodstuffs—</b>  |            |             |               |
| Acetic Acid                       |            | 40,005      | 40,005        |
| Baking Powder                     | 25,800     | 69,440      | 95,240        |
| Baking Soda                       |            | 25,392      | 25,392        |
| Calves Foot Jelly                 |            | 25,312      | 25,312        |
| Caraway Oil                       |            | 246         | 246           |
| Chicory Root                      |            | 495,040     | 943,040       |
| Chocolate                         |            | 17,563      | 17,563        |
| Cocoa                             |            | 224,000     | 224,000       |
| Coffee                            | 2,114,560  | 1,963,020   | 4,077,580     |
| Cornstarch                        | 11,576,320 | 210,663,104 | 363,686,464   |
| Custard Powder                    |            | 31,360      | 31,360        |
| Dextrose                          |            | 1,571       | 1,571         |
| Enzymes                           | 9,005      | 8,534       | 43,299        |
| Gelatin                           |            | 45,478      | 45,478        |
| Granular Citric Acid              | 2,446      | 195,140     | 197,586       |
| Hops                              |            | 37,244      | 37,244        |
| Jams                              | 1,923      | 62,132      | 64,055        |
| Jellies                           |            | 44,800      | 44,800        |
| Kola Nuts, Ground                 |            | 114,778     | 114,778       |
| Marmalade, Orange                 |            | 239,661     | 239,661       |
| Mustard Flour                     |            | 30,316      | 30,316        |
| Mustard Seed                      |            | 368         | 368           |
| Oil of Nutmeg                     |            | 403         | 403           |
| Ovaltine                          |            | 53,088      | 59,808        |
| Pectin, Dry and Liquid            | 6,720      | 2,765,956   | 2,765,956     |
| Peanuts, Raw                      |            | 5,214,720   | 5,214,720     |
| Peppermint Oil                    | 7,147      | 53,684      | 60,831        |
| Pickles                           | 183,052    | 1,188,680   | 1,371,732     |
| Salt                              |            | 2,682,564   | 2,682,564     |
| Sassafras Oil                     |            | 2,240       | 2,240         |
| Soup, Canned                      |            | 32,323      | 51,604        |
| Soups, Dehydrated                 | 19,281     | 1,473,996   | 1,473,996     |
| Soup, Dry Concentrate             |            | 1,830,090   | 1,830,090     |
| Soup Flakes, Dehydrated Tomato    |            | 577,920     | 577,920       |
| <b>Spices—</b>                    |            |             |               |
| Allspice                          |            | 828         | 828           |
| Bay Leaves                        |            | 21,665      | 21,665        |
| Cinnamon                          |            | 1,230       | 1,230         |
| Coriander                         |            | 1,260       | 1,260         |
| Cumin                             |            | 1,380       | 1,380         |
| Ginger                            |            | 274         | 274           |
| Pepper                            |            | 17,663      | 17,663        |
| Sugar, Corn                       | 667,520    | 5,691,840   | 13,343,680    |
| Sugar, Granulated                 | 16,400,200 | 233,414,287 | 249,814,487   |
| Sugar, Raw                        |            | 380,954,158 | 380,954,158   |
| Synthetic Fruit Extract           |            | 28,747      | 28,747        |
| Syrup, Fountain                   | 9,600      | 9,600       | 9,600         |
| Syrup, Golden                     | 16,818     | 316,852     | 333,670       |
| Tea                               | 215,040    | 369,205     | 584,245       |
| Walnuts, Shelled                  |            | 29,952      | 85,952        |
| Wormseed Oil                      |            | 8,198       | 8,198         |
| Vanilla Beans                     |            | 429         | 429           |
| Vinegar                           | 33,574     | 240,098     | 273,672       |
| Yeast                             | 6,810      | 11,712      | 18,522        |
|                                   | 31,295,816 | 845,849,635 | 1,031,575,982 |
| <b>Non-foodstuffs—</b>            |            |             |               |
| Candles                           |            | 129,500     | 129,500       |
| Cotton, Baled Raw                 |            | 315,840,000 | 543,280,640   |
| Cotton Linters                    |            | 2,358,720   | 17,205,440    |
| Naval Stores—                     |            |             |               |
| Dipentene                         |            | 240,622     | 240,622       |
| Pinene                            |            | 1,001,880   | 1,001,880     |
| Pine Oil                          |            | 3,245,577   | 3,332,937     |
| Pine Tar Oil                      |            | 886,406     | 886,406       |
| Pine Tar and Tarol                |            | 8,869,533   |               |

## Feb. Building Construction Dollar Volume In Urban Areas Declined 73% From Year Ago

The dollar volume of building construction started in urban areas of the United States during February was 73% less than the total for February 1942, Secretary of Labor Frances Perkins reported on April 3. "The decline in the value of contracts awarded for Federally financed building projects in February matched the drop in the value of permits issued to private builders," she said. "Valuations for all new non-residential buildings dropped 82%, as compared with decreases of 66% for new residential construction and 44% for additions and repairs. Secretary Perkins added:

"February was the twelfth consecutive month of declining valuations. The 26% drop between January and February, 1943, was due to a 38% reduction in the value of Federal contract awards. Permit valuations for other building construction rose about 7%, principally because of increased repairs and alterations. Valuations for all new non-residential buildings dropped 40% from January to February, while those for new residential construction decreased 21%."

Changes in permit valuations and value of Federal contracts awarded between January and February, 1943, and between February, 1942 and February, 1943 in all urban areas are summarized below:

| Class of construction               | Percentage change from:—Jan. 1942 to Feb. 1943— |         |                    | —Feb. 1942 to Feb. 1943— |         |                    |
|-------------------------------------|---|---------|--------------------|--------------------------|---------|--------------------|
|                                     | Total   | Federal | Other than Federal | Total                    | Federal | Other than Federal |
| All building construction           | -26.1   | +6.6    | -37.9              | -72.6                    | -72.0   | -73.0              |
| New residential                     | -20.9   | +1.1    | -30.6              | -65.6                    | -75.9   | -52.3              |
| New non-residential                 | -40.4   | -13.6   | -43.3              | -81.5                    | -84.8   | -80.8              |
| Additions, alterations, and repairs | +16.7   | +27.4   | +44.5              | -43.7                    | -39.1   | -71.7              |

From the Labor Department's announcement we also quote:

Permits were issued or contracts were awarded for 17,679 family dwelling units in urban areas during February, 1943. This was 28% less than the total in the previous month and 51% less than in February, 1942. Almost two-thirds of the total in February, or 11,564 units, were in Federal housing projects for war workers. This represented a drop of 39% from the previous month and 21% from February, 1942. The number of privately financed units in February, 1943, was approximately 4% greater than in the previous month, but 72% less than in February, 1942. Federal contracts were also awarded during February, 1943, for dormitories providing accommodations for 447 persons.

"The Bureau of Labor Statistics has revised its methods of summarizing reports on building permits. Heretofore, the figures covered a specified number of reporting cities, which varied from month to month. Beginning with the February comparisons the data will cover all building construction in all urban areas of the United States, which is defined to include all cities and towns with populations of 2,500 or more in 1940. The principal advantage of the change is that figures for every month will be comparable since estimates will be made for any cities which fail to report in a particular month. As in the past, the value of contracts awarded by the Federal Government for building construction will be combined with information obtained from the building-permit reports. However, because of the volume of Federal financed construction at the present time, the contract value of such construction will also be shown separately each month.

"Principal centers of various types of building construction for which permits were issued or contracts were awarded in February, 1943, except projects which have been excluded because of their confidential nature were: Hartford, Conn., 89 one-family dwellings to cost \$275,000; Linden, N. J., 102 one-family dwellings to cost \$260,000; Albany, N. Y., five factories to cost \$420,000; Philadelphia, Pa., 129 one-family dwellings to cost \$569,000; Detroit, Mich., 193 one-family dwellings to cost \$947,000; Lansing, Mich., two institutions to cost \$286,000; Wayne, Mich., 119 one-family dwellings to cost \$444,000; Akron, Ohio, 210 one-family dwellings to cost \$833,000; Columbus, Ohio, 32 one-family dwellings to cost \$142,000 and two apartments providing 48 dwelling units to cost \$120,000; Dayton, Ohio, 67 one-family dwellings to cost \$268,000; Euclid, Ohio, 47 one-family dwellings to cost \$227,000; Hastings, Neb., 109 one-family dwellings to cost \$360,000 and 28 units in two-family dwellings to cost \$95,000; Washington, D. C., 47 apartments providing 188 dwelling units to cost \$356,000; Marietta, Ga., 80 units in two-family dwellings to cost \$249,000; Arlington, Va., seven apartments providing 205 dwelling units to cost \$617,000; Ft. Worth, Texas, 126 one-family dwellings to cost \$301,475; Colton, Calif., 218 one-family dwellings to cost \$614,000; Hawthorne, Calif., one factory to cost \$328,000; Los Angeles, Calif., 136 one-family dwellings to cost \$442,000; and 25 factories to cost \$253,000; San Bernardino, Calif., 75 one-family dwellings to cost \$251,000 San Diego, Calif., 83 one-family dwellings to cost \$330,000 and one institution to cost \$83,000; Portland, Ore., 32 one-family dwellings to cost \$139,000 and three factories to cost \$221,000; Seattle, Wash., 53 one-family dwellings to cost \$224,000.

"In addition, contracts were awarded during February, 1943, for the following Federally financed housing projects containing the indicated number of housekeeping units: Derby, Conn., \$116,000 for 50 units; Meriden, Conn., \$164,000 for 152 units; Wallingford, Conn., \$281,000 for 68 units; Windsor, Vt., \$60,000 for 25 units; Brooklyn, N. Y., \$4,890,000 for 1,388 units; Niagara Falls, N. Y., \$4,132,000 for 2,300 units; Erie, Pa., \$529,000 for 200 units; Meadville, Pa., \$388,000 for 160 units; Philadelphia, Pa., \$4,854,000 for 2,081 units; Evansville, Ind., \$2,880,000 for 1,500 units; Detroit, Mich., \$500,000 for 200 units; Muskegon Heights, Mich., \$174,000 for 76 units; Canton, Ohio, \$736,000 for 320 units; Cleveland, Ohio, \$1,545,000 for 440 units; Dayton, Ohio, \$358,000 for 200 units; Sidney, Neb., \$466,000 for 175 units; Key West, Fla., \$201,000 for 74 units; Arlington, Va., \$242,000 for 100 units; Norfolk, Va., \$819,000 for 468 units; Norman, Okla., \$202,000 for 90 units; Orange, Texas, \$197,000 for 192 units; San Marcus, Texas, \$326,000 for 150 units; Ogden, Utah, \$802,000 for 400 units; Oxnard, Calif., \$370,000 for 180 units; Medford, Ore., \$262,000 for 125 units, and Seattle, Wash., \$1,023,000 for 450 units.

"Federal contracts were also awarded for dormitory accommodations for 150 persons at Meriden, Conn., to cost \$154,000; for 50 persons at Shelton, Conn., to cost \$50,000; for 175 persons at Newport, R. I., to cost \$197,000, and for 72 persons at Ypsilanti, Mich., to cost \$87,000."

## Trading On New York Exchanges

The Securities and Exchange Commission made public April 3 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 March 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 March 20 (in round-lot transactions) totaled 2,233,183 shares, which amount was 16.92% of total transactions on the Exchange of 6,598,360 shares. This compares with member trading during the week ended March 13 of 2,658,750 shares or 15.59% of total trading of 8,522,690 shares. On the New York Curb Exchange, member trading during the week ended March 20 amounted to 402,770 shares, or 14.14% of the total volume of that Exchange of 1,420,465 shares; during the March 13 week trading for the account of Curb members of 515,408 shares was 14.03% of total trading of 1,837,242 shares.

The Commission made available the following data for the week March 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                  | 680                 |
| 1. Reports showing transactions as specialists                | 174                  | 86                  |
| 2. Reports showing other transactions initiated on the floor  | 190                  | 43                  |
| 3. Reports showing other transactions initiated off the floor | 222                  | 84                  |
| 4. Reports showing no transactions                            | 465                  | 484                 |

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 MARCH 20, 1943   |  | Total for week | †Per Cent |
|---|--|----------------|-----------|
| A. Total Round-Lot Sales:   |  |                |           |
| Short sales   |  | 165,580        |           |
| †Other sales  |  | 6,432,780      |           |
| Total sales   |  | 6,598,360      |           |
| 3. 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   |  | 598,550        |           |
| Short sales   |  | 89,960         |           |
| †Other sales  |  | 512,110        |           |
| Total sales   |  | 602,070        | 9.10      |
| 2. Other transactions initiated on the floor—   |  |                |           |
| Total purchases   |  | 319,490        |           |
| Short sales   |  | 24,000         |           |
| †Other sales  |  | 294,230        |           |
| Total sales   |  | 318,230        | 4.83      |
| 3. Other transactions initiated off the floor—  |  |                |           |
| Total purchases   |  | 188,315        |           |
| Short sales   |  | 10,000         |           |
| †Other sales  |  | 196,533        |           |
| Total sales   |  | 206,533        | 2.99      |
| 4. Total—   |  |                |           |
| Total purchases   |  | 1,106,355      |           |
| Short sales   |  | 123,960        |           |
| †Other sales  |  | 1,002,873      |           |
| Total sales   |  | 1,126,833      | 16.92     |

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

| WEEK ENDED MARCH 20, 1943  |  | Total for week | †Per Cent |
|--|--|----------------|-----------|
| A. Total Round-Lot Sales:  |  |                |           |
| Short sales  |  | 12,230         |           |
| †Other sales   |  | 1,408,235      |           |
| Total sales  |  | 1,420,465      |           |
| B. Round-Lot Transactions for the Account of Members:                  |  |                |           |
| 1. Transactions of specialists in stocks in which they are registered— |  |                |           |
| Total purchases  |  | 117,120        |           |
| Short sales  |  | 7,550          |           |
| †Other sales   |  | 129,215        |           |
| Total sales  |  | 136,765        | 8.94      |
| 2. Other transactions initiated on the floor—                          |  |                |           |
| Total purchases  |  | 37,100         |           |
| Short sales  |  | 2,600          |           |
| †Other sales   |  | 42,485         |           |
| Total sales  |  | 45,085         | 2.89      |
| 3. Other transactions initiated off the floor—                         |  |                |           |
| Total purchases  |  | 16,470         |           |
| Short sales  |  | 700            |           |
| †Other sales   |  | 48,533         |           |
| Total sales  |  | 49,230         | 2.31      |
| 4. Total—  |  |                |           |
| Total purchases  |  | 170,690        |           |
| Short sales  |  | 10,850         |           |
| †Other sales   |  | 220,230        |           |
| Total sales  |  | 231,080        | 14.14     |
| C. Odd-Lot Transactions for the Account of Specialists—                |  |                |           |
| Customers' short sales   |  | 510            |           |
| †Customers' other sales  |  | 48,333         |           |
| Total purchases  |  | 48,843         |           |
| Total sales  |  | 37,036         |           |

\*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 are included with "other sales."

§Sales marked "short exempt" are included with "other sales."

## NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on April 3 a summary for the week ended March 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 March 27, 1943                        |  | Total for Week |
|--|--|----------------|
| Odd-Lot Sales by Dealers: (Customers' purchases) |  |                |
| Number of Orders                                 |  | 24,550         |
| Number of Shares                                 |  | 716,859        |
| Dollar Value                                     |  | 23,419,266     |
| Odd-Lot Purchases by Dealers: (Customers' Sales) |  |                |
| Number of Orders:                                |  |                |
| Customers' short sales                           |  | 221            |
| Customers' other sales                           |  | 24,252         |
| Customers' total sales                           |  | 24,473         |
| Number of Shares:                                |  |                |
| Customers' short sales                           |  | 6,163          |
| Customers' other sales                           |  | 675,552        |
| Customers' total sales                           |  | 681,715        |
| Dollar value                                     |  | 19,637,253     |

| Round-Lot Sales by Dealers— |  | Total   |
|-----------------------------|--|---------|
| Number of Shares:           |  |         |
| Short sales                 |  | 240     |
| †Other sales                |  | 164,060 |
| Total sales                 |  | 164,300 |

| Round-Lot Purchases by Dealers— |  | Total   |
|---------------------------------|--|---------|
| Number of shares                |  | 207,180 |

\*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."

## Cotton Spinning For February, 1943

The Bureau of the Census announced on March 8 that according to preliminary figures, 23,559,374 cotton spinning spindles were in place in the United States on February 28, 1943, of which 22,859,160 were operated at some time during the month, compared with 22,889,954 for January, 22,887,072 for December, 22,948,248 for November, 23,012,046 for October, 22,956,224 for September, and 23,087,626 for February, 1942. The aggregate number of active spindle-hours reported for the month was 10,246,497,646. Based on an activity of 80 hours per week, the cotton spindles in the United States were operated during February, 1943, at 135.9% capacity. This percentage compares, on the same basis, with 138.8 for January, 127.9 for December, 133.4 for November, 136.9 for October, 134.9 for September and 136.3 for February, 1942. The average number of active spindle-hours per spindle in place for the month was 435.

## Lumber Movement—Week Ended March 27, 1943

According to the National Lumber Manufacturers Association, lumber shipments of 451 mills reporting to the "National Lumber Trade Barometer" exceeded production by 10.7% for the week ended March 27, 1943. In the same week new orders of these mills were 21.2% greater than production. Unfilled order files in the reporting mills amounted to 95% of stocks. For reporting softwood mills, unfilled orders are equivalent to 39 days' production at the current rate, and gross stocks are equivalent to 38 days' production.

For the year to date, shipments of reporting identical mills exceeded production by 17.9%; orders by 23.4%.

Compared to the average corresponding week of 1935-39 production of reporting mills was 24.7% greater; shipments were 25.6% greater, and orders were 38.1%.

# Revenue Freight Car Loadings During Week Ended Mar. 27, 1943 Amounted To 787,360 Cars

Loading of revenue freight for the week ended March 27, 1943, totaled 787,360 cars, the Association of American Railroads announced on April 1. This was a decrease below the corresponding week of 1942 of 20,926 cars, or 2.6%, and a decrease below the same week in 1941 of 6,443 cars, or 0.8%.

Loading of revenue freight for the week of March 27 increased 19,226 cars, or 2.5%, above the preceding week.

Miscellaneous freight loading totaled 373,803 cars, an increase of 6,191 cars above the preceding week, and an increase of 3,023 cars above the corresponding week in 1942.

Loading of merchandise less than carload lot freight totaled 99,948 cars, an increase of 1,119 cars above the preceding week, but a decrease of 43,712 cars below the corresponding week in 1942.

Coal loading amounted to 179,702 cars, an increase of 6,090 cars above the preceding week, and an increase of 23,522 cars above the corresponding week in 1942.

Grain and grain products loading totaled 44,979 cars, an increase of 1,839 cars above the preceding week, and an increase of 11,247 cars above the corresponding week in 1942. In the western districts alone, grain and grain products loading for the week of March 27 totaled 31,285 cars, an increase of 1,536 cars above the preceding week and an increase of 10,810 cars above the corresponding week in 1942.

Livestock loading amounted to 13,740 cars, an increase of 1,223 cars above the preceding week, and an increase of 2,933 cars above the corresponding week in 1942. In the western districts alone, loading of livestock for the week of March 27 totaled 10,409 cars, an increase of 1,105 cars above the preceding week, and an increase of 2,646 cars above the corresponding week in 1942.

Forest products loading totaled 41,717 cars, an increase of 1,563 cars above the preceding week but a decrease of 4,202 cars below the corresponding week in 1942.

Ore loading amounted to 18,279 cars, an increase of 967 cars above the preceding week but a decrease of 15,089 cars below the corresponding week in 1942.

Coke loading amounted to 15,192 cars, an increase of 234 cars above the preceding week, and an increase of 1,352 cars above the corresponding week in 1942.

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

|                     | 1943      | 1942       | 1941      |
|---------------------|-----------|------------|-----------|
| 5 weeks of January  | 3,530,849 | 3,858,479  | 3,454,409 |
| 4 weeks of February | 3,055,640 | 3,122,942  | 2,866,565 |
| Week of March 6     | 748,890   | 770,485    | 742,617   |
| Week of March 13    | 769,042   | 799,356    | 759,607   |
| Week of March 20    | 768,134   | 796,654    | 769,984   |
| Week of March 27    | 787,360   | 808,286    | 793,803   |
| Total               | 9,659,915 | 10,156,202 | 9,386,965 |

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended March 27, 1943. During this period only 49 roads showed increases when compared with the corresponding week last year.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS)—WEEK ENDED MARCH 27

| Railroads                          | Total Revenue Freight Loaded |                |                | Total Loads Received from Connections |                |
|------------------------------------|------------------------------|----------------|----------------|---------------------------------------|----------------|
|                                    | 1943                         | 1942           | 1941           | 1943                                  | 1942           |
| <b>Eastern District—</b>           |                              |                |                |                                       |                |
| Ann Arbor                          | 260                          | 557            | 527            | 1,524                                 | 1,376          |
| Bangor & Aroostook                 | 2,633                        | 2,343          | 2,300          | 269                                   | 263            |
| Boston & Maine                     | 6,273                        | 7,825          | 8,476          | 16,588                                | 17,072         |
| Chicago, Indianapolis & Louisville | 1,514                        | 1,470          | 1,561          | 2,232                                 | 2,062          |
| Central Indiana                    | 31                           | 29             | 17             | 60                                    | 58             |
| Central Vermont                    | 1,402                        | 1,233          | 1,528          | 2,700                                 | 2,049          |
| Delaware & Hudson                  | 6,331                        | 6,487          | 6,610          | 12,900                                | 13,490         |
| Delaware, Lackawanna & Western     | 7,568                        | 8,161          | 9,822          | 11,106                                | 9,268          |
| Detroit & Mackinac                 | 230                          | 261            | 239            | 115                                   | 162            |
| Detroit, Toledo & Ironton          | 1,890                        | 2,172          | 3,218          | 1,659                                 | 1,401          |
| Detroit & Toledo Shore Line        | 347                          | 376            | 407            | 3,820                                 | 3,362          |
| Erie                               | 13,181                       | 14,252         | 14,549         | 20,960                                | 16,263         |
| Grand Trunk Western                | 3,495                        | 4,541          | 6,272          | 8,466                                 | 8,451          |
| Lehigh & Hudson River              | 159                          | 211            | 221            | 3,888                                 | 3,665          |
| Lehigh & New England               | 2,140                        | 1,425          | 2,098          | 1,762                                 | 1,819          |
| Lehigh Valley                      | 7,068                        | 9,177          | 9,185          | 14,291                                | 10,276         |
| Maine Central                      | 2,506                        | 2,934          | 2,925          | 4,190                                 | 4,851          |
| Monongahela                        | 7,052                        | 6,986          | 6,582          | 372                                   | 446            |
| Montour                            | 2,620                        | 2,453          | 2,314          | 23                                    | 36             |
| New York Central Lines             | 51,932                       | 46,457         | 51,365         | 54,797                                | 55,327         |
| N. Y., N. H. & Hartford            | 10,460                       | 12,430         | 11,815         | 21,579                                | 19,996         |
| New York, Ontario & Western        | 986                          | 1,183          | 1,115          | 2,430                                 | 2,964          |
| New York, Chicago & St. Louis      | 6,659                        | 7,418          | 6,944          | 16,559                                | 15,586         |
| N. Y., Susquehanna & Western       | 371                          | 518            | 441            | 2,640                                 | 1,567          |
| Pittsburgh & Lake Erie             | 8,188                        | 8,533          | 8,286          | 9,121                                 | 8,250          |
| Pere Marquette                     | 4,681                        | 5,184          | 6,617          | 7,622                                 | 6,281          |
| Pittsburgh & Shawmut               | 832                          | 571            | 691            | 28                                    | 59             |
| Pittsburgh, Shawmut & North        | 340                          | 475            | 368            | 294                                   | 277            |
| Pittsburgh & West Virginia         | 709                          | 993            | 1,338          | 3,962                                 | 2,733          |
| Rtland                             | 355                          | 522            | 619            | 1,038                                 | 1,144          |
| Wabash                             | 5,660                        | 5,688          | 6,883          | 12,978                                | 10,718         |
| Wheeling & Lake Erie               | 5,004                        | 4,912          | 5,230          | 6,212                                 | 4,770          |
| <b>Total</b>                       | <b>162,877</b>               | <b>167,777</b> | <b>180,563</b> | <b>246,094</b>                        | <b>226,032</b> |
| <b>Allegheny District—</b>         |                              |                |                |                                       |                |
| Akron, Canton & Youngstown         | 773                          | 645            | 577            | 1,322                                 | 1,175          |
| Baltimore & Ohio                   | 41,572                       | 41,273         | 40,418         | 28,904                                | 27,301         |
| Bessemer & Lake Erie               | 3,268                        | 3,037          | 4,755          | 1,672                                 | 1,934          |
| Buffalo Creek & Gauley             | 331                          | 313            | 294            | 3                                     | 5              |
| Cambria & Indiana                  | 1,879                        | 1,994          | 2,002          | 10                                    | 12             |
| Central R. R. of New Jersey        | 7,209                        | 8,334          | 7,892          | 21,276                                | 20,177         |
| Cornwall                           | 590                          | 489            | 647            | 71                                    | 81             |
| Cumberland & Pennsylvania          | 302                          | 327            | 348            | 12                                    | 20             |
| Ligonier Valley                    | 137                          | 149            | 158            | 41                                    | 45             |
| Long Island                        | 1,690                        | 931            | 758            | 4,225                                 | 3,644          |
| Penn.-Reading Seashore Lines       | 1,667                        | 1,803          | 1,454          | 3,126                                 | 2,676          |
| Pennsylvania System                | 78,754                       | 81,588         | 79,810         | 63,900                                | 60,541         |
| Reading Co.                        | 15,327                       | 15,714         | 17,118         | 30,911                                | 29,495         |
| Union (Pittsburgh)                 | 21,578                       | 21,509         | 20,109         | 4,847                                 | 3,988          |
| Western Maryland                   | 4,259                        | 4,179          | 4,280          | 15,411                                | 12,645         |
| <b>Total</b>                       | <b>178,736</b>               | <b>182,285</b> | <b>180,620</b> | <b>175,731</b>                        | <b>163,739</b> |
| <b>Pocahontas District—</b>        |                              |                |                |                                       |                |
| Chesapeake & Ohio                  | 29,809                       | 28,476         | 27,754         | 12,903                                | 13,670         |
| Norfolk & Western                  | 22,721                       | 23,139         | 23,656         | 7,394                                 | 6,895          |
| Virginian                          | 4,904                        | 4,491          | 5,150          | 2,287                                 | 2,265          |
| <b>Total</b>                       | <b>57,434</b>                | <b>56,106</b>  | <b>56,560</b>  | <b>22,589</b>                         | <b>22,830</b>  |

| Railroads                        | Total Revenue Freight Loaded |                |                | Total Loads Received from Connections |                |
|----------------------------------|------------------------------|----------------|----------------|---------------------------------------|----------------|
|                                  | 1943                         | 1942           | 1941           | 1943                                  | 1942           |
| <b>Southern District—</b>        |                              |                |                |                                       |                |
| Alabama, Tennessee & Northern    | 298                          | 357            | 345            | 379                                   | 367            |
| Atl. & W. P.—W. R. of Ala.       | 752                          | 943            | 874            | 2,771                                 | 2,259          |
| Atlanta, Birmingham & Coast      | 680                          | 581            | 730            | 1,716                                 | 1,257          |
| Atlantic Coast Line              | 15,401                       | 13,440         | 12,189         | 11,570                                | 9,804          |
| Central of Georgia               | 3,883                        | 4,338          | 4,623          | 5,006                                 | 4,270          |
| Charleston & Western Carolina    | 376                          | 389            | 450            | 1,817                                 | 1,975          |
| Clinchfield                      | 1,648                        | 1,762          | 1,629          | 3,320                                 | 2,917          |
| Columbus & Greenville            | 327                          | 307            | 258            | 281                                   | 244            |
| Durham & Southern                | 118                          | 187            | 185            | 427                                   | 603            |
| Florida East Coast               | 2,650                        | 2,703          | 1,231          | 1,649                                 | 1,120          |
| Gainesville Midland              | 38                           | 44             | 35             | 146                                   | 122            |
| Georgia                          | 1,349                        | 1,369          | 971            | 2,820                                 | 2,426          |
| Georgia & Florida                | 370                          | 394            | 423            | 940                                   | 611            |
| Gulf, Mobile & Ohio              | 3,471                        | 4,298          | 3,979          | 5,591                                 | 3,284          |
| Illinois Central System          | 26,268                       | 27,758         | 26,781         | 17,679                                | 15,005         |
| Louisville & Nashville           | 25,231                       | 24,847         | 25,615         | 11,315                                | 9,482          |
| Macon, Dublin & Savannah         | 155                          | 200            | 158            | 1,029                                 | 758            |
| Mississippi Central              | 220                          | 147            | 195            | 544                                   | 537            |
| Nashville, Chattanooga & St. L.  | 3,135                        | 3,411          | 3,631          | 5,048                                 | 3,840          |
| Norfolk Southern                 | 1,223                        | 1,276          | 1,219          | 1,523                                 | 1,566          |
| Fiedmont Northern                | 354                          | 464            | 469            | 1,357                                 | 1,268          |
| Richmond, Fred. & Potomac        | 10,325                       | 10,924         | 10,421         | 11,765                                | 10,219         |
| Seaboard Air Line                | 22,059                       | 24,500         | 25,439         | 9,578                                 | 7,194          |
| Southern System                  | 612                          | 732            | 511            | 858                                   | 858            |
| Tennessee Central                | 108                          | 125            | 152            | 1,152                                 | 993            |
| Winston-Salem Southbound         |                              |                |                |                                       |                |
| <b>Total</b>                     | <b>121,386</b>               | <b>125,995</b> | <b>122,950</b> | <b>123,891</b>                        | <b>105,134</b> |
| <b>Northwestern District—</b>    |                              |                |                |                                       |                |
| Chicago & North Western          | 14,338                       | 18,439         | 16,488         | 13,285                                | 12,447         |
| Chicago Great Western            | 2,373                        | 2,616          | 2,613          | 3,323                                 | 2,946          |
| Chicago, Milw., St. P. & Pac.    | 19,782                       | 20,007         | 21,172         | 11,196                                | 8,973          |
| Chicago, St. Paul, Minn. & Omaha | 3,146                        | 3,350          | 3,586          | 4,423                                 | 3,801          |
| Duluth, Missabe & Iron Range     | 1,153                        | 8,758          | 840            | 264                                   | 362            |
| Duluth, South Shore & Atlantic   | 804                          | 705            | 528            | 737                                   | 611            |
| Elgin, Joliet & Eastern          | 9,182                        | 9,814          | 9,914          | 11,775                                | 10,414         |
| Ft. Dodge, Des Moines & South    | 378                          | 443            | 465            | 110                                   | 154            |
| Great Northern                   | 11,574                       | 14,211         | 10,806         | 5,495                                 | 4,509          |
| Green Bay & Western              | 435                          | 466            | 504            | 919                                   | 820            |
| Lake Superior & Ishpeming        | 198                          | 217            | 213            | 58                                    | 89             |
| Minneapolis & St. Louis          | 1,936                        | 1,769          | 1,777          | 2,628                                 | 2,192          |
| Minn., St. Paul & S. S. M.       | 4,427                        | 5,388          | 5,064          | 3,089                                 | 3,532          |
| Northern Pacific                 | 9,350                        | 9,252          | 9,430          | 5,209                                 | 4,349          |
| Spokane International            | 91                           | 171            | 105            | 539                                   | 309            |
| Spokane, Portland & Seattle      | 2,062                        | 2,601          | 2,375          | 3,020                                 | 2,650          |
| <b>Total</b>                     | <b>81,229</b>                | <b>100,168</b> | <b>85,880</b>  | <b>66,070</b>                         | <b>58,158</b>  |
| <b>Central Western District—</b> |                              |                |                |                                       |                |
| Atch., Top. & Santa Fe System    | 21,291                       | 21,639         | 19,294         | 11,898                                | 8,906          |
| Alton                            | 2,988                        | 3,501          | 3,762          | 4,299                                 | 3,866          |
| Bingham & Garfield               | 683                          | 577            | 656            | 100                                   | 132            |
| Chicago, Burlington & Quincy     | 19,042                       | 15,171         | 18,334         | 12,949                                | 10,151         |
| Chicago & Illinois Midland       | 3,206                        | 2,831          | 2,699          | 851                                   | 804            |
| Chicago, Rock Island & Pacific   | 12,243                       | 11,206         | 12,066         | 13,866                                | 11,489         |
| Chicago & Eastern Illinois       | 2,777                        | 2,450          | 3,390          | 5,408                                 | 2,951          |
| Colorado & Southern              | 770                          | 907            | 755            | 2,153                                 | 1,654          |
| Denver & Rio Grande Western      | 3,365                        | 2,530          | 2,763          | 6,048                                 | 4,201          |
| Denver & Salt Lake               | 749                          | 349            | 614            | 14                                    | 19             |
| Fort Worth & Denver City         | 1,100                        | 958            | 856            | 1,982                                 | 1,097          |
| Illinois Terminal                | 1,968                        | 2,218          | 1,946          | 1,687                                 | 1,751          |
| Missouri-Illinois                | 960                          | 1,261          | 923            | 500                                   | 582            |
| Nevada Northern                  | 2,108                        | 2,003          | 1,943          | 109                                   | 151            |
| North Western Pacific            | 992                          | 1,117          | 786            | 705                                   | 457            |
| Peoria & Pekin Union             | 25                           | 22             | 10             | 0                                     | 0              |
| Southern Pacific (Pacific)       | 27,270                       | 27,095         | 25,578         | 13,319                                | 9,866          |
| Toledo, Peoria & Western         | 210                          | 252            | 452            | 1,899                                 | 824            |
| Union Pacific System             | 13,989                       | 14,815         | 15,360         | 14,711                                | 10,931         |
| Utah                             | 595                          | 542            | 448            | 3                                     | 5              |
| Western Pacific                  | 1,850                        | 1,662          | 1,673          | 3,624                                 | 3,012          |
| <b>Total</b>                     | <b>117,690</b>               | <b>113,106</b> | <b>114,308</b> | <b>96,125</b>                         | <b>72,849</b>  |
| <b>Southwestern District—</b>    |                              |                |                |                                       |                |
| Burlington-Rock Island           | 877                          | 611            | 144            | 214                                   | 226            |
| Gulf Coast Lines                 | 5,097                        | 4,580          | 3,082          | 2,341                                 | 2,936          |
| International-Great Northern     | 2,095                        | 2,119          | 1,859          | 3,786                                 | 2,689          |
| Kansas, Oklahoma & Gulf          | 216                          | 321            | 187            | 323                                   | 843            |
| Kansas City Southern             | 4,472                        | 4,306          | 2,255          | 2,961                                 | 2,897          |
| Louisiana & Arkansas             | 2,935                        | 3,106          | 2,136          | 2,260                                 | 1,996          |
| Litchfield & Madison             | 310                          | 391            | 427            | 1,146                                 | 1,043          |
| Midland Valley                   | 673                          | 424            | 527            | 244                                   | 245            |
| Missouri & Arkansas              | 115                          | 268            | 175            | 554                                   | 396            |
| Missouri-Kansas-Texas Lines      | 5,837                        | 5,209          | 4,135          | 6,416                                 | 4,076          |
| Missouri Pacific                 | 16,623                       | 15,633         | 15,930         | 16,717                                | 14,977         |
| Quannah Acme & Pacific           | 88                           | 144            | 109            | 327                                   | 170            |
| St. Louis-San Francisco          | 8,855                        | 8,138          | 8,165          | 8,876                                 | 7,251          |
| St. Louis Southwestern           | 2,939                        | 3,440          | 2,620          | 5,405                                 | 5,201          |
| Texas & New Orleans              | 12,803                       | 9,649          | 7,344          | 5,886                                 | 4,636          |
| Texas & Pacific                  | 3,939                        | 4,367          | 3,740          | 7,015                                 | 5,876          |
| Wichita Falls & Southern         | 108                          | 130            | 158            | 30                                    | 42             |
|                                  |                              |                |                |                                       |                |

### 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 bituminous coal and lignite in the week ended March 27 is estimated at 12,650,000 net tons, an increase of 290,000 tons, or 2.3%, over the preceding week. Output in the corresponding week of 1942 was 11,311,000 tons. For the current year to date, production of soft coal and lignite was 7% in excess of that for the same period last year.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended March 27 was estimated at 1,341,000 tons, an increase of 120,000 tons (9.8%) over the preceding week. When compared with the output of the corresponding week of 1942, there was an increase of 183,000 tons, or 15.8%.

The U. S. Bureau of Mines also reported that the estimated production of byproduct coke in the United States for the week ended March 27 showed an increase of 4,700 tons when compared with the output for the week ended March 20. The quantity of coke from beehive ovens increased 5,700 tons during the same period.

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

(In Net Tons (000 omitted))

|                                   | Week Ended   |              |              | January 1 to Date |              |              |
|-----------------------------------|--------------|--------------|--------------|-------------------|--------------|--------------|
|                                   | Mar. 27 1943 | Mar. 20 1943 | Mar. 28 1942 | Mar. 27 1943      | Mar. 28 1942 | Mar. 27 1942 |
| Bituminous coal and lignite—      | 12,650       | 12,360       | 11,311       | 146,690           | 137,104      | 129,642      |
| Total, incl. mine fuel—           | 2,108        | 2,060        | 1,885        | 2,009             | 1,853        | 1,778        |
| Daily average—                    |              |              |              |                   |              |              |
| Crude Petroleum—                  |              |              |              |                   |              |              |
| Coal equivalent of weekly output— | 6,241        | 6,253        | 6,119        | 76,362            | 80,002       | 64,700       |

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

#### ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

(In Net Tons)

|                             | Week Ended   |              |              | Calendar Year to Date |              |              |
|-----------------------------|--------------|--------------|--------------|-----------------------|--------------|--------------|
|                             | Mar. 27 1943 | Mar. 20 1943 | Mar. 28 1942 | Mar. 27 1943          | Mar. 28 1942 | Mar. 30 1929 |
| Penn. anthracite—           | 1,341,000    | 1,221,000    | 1,158,000    | 14,503,000            | 13,923,000   | 18,350,000   |
| Total, incl. colliery fuel— | 1,287,000    | 1,172,000    | 1,112,000    | 13,922,000            | 13,366,000   | 17,029,000   |
| Beehive coke—               |              |              |              |                       |              |              |
| United States total—        | 170,800      | 165,100      | 154,400      | 1,950,400             | 1,845,000    | 1,562,500    |
| By-product coke—            |              |              |              |                       |              |              |
| United States total—        | 1,220,300    | 1,215,600    | 1,161,500    | 14,962,600            | 14,550,900   | †            |

\*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

(In Thousands of Net Tons)

(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   |              |              |              |              | Mar. 1923 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|-----------|
|                                  | Mar. 20 1943 | Mar. 13 1943 | Mar. 21 1942 | Mar. 22 1941 | Mar. 20 1937 |           |
| Alabama                          | 382          | 391          | 353          | 376          | 307          | 423       |
| Alaska                           | 6            | 6            | 6            | 4            | 2            | **        |
| Arkansas and Oklahoma            | 112          | 108          | 40           | 70           | 52           | 77        |
| Colorado                         | 164          | 180          | 159          | 141          | 153          | 195       |
| Georgia and North Carolina       | 1            | 1            | 1            | 1            | ††           | **        |
| Illinois                         | 1,583        | 1,525        | 1,200        | 1,385        | 1,553        | 1,684     |
| Indiana                          | 507          | 510          | 486          | 581          | 523          | 575       |
| Iowa                             | 53           | 58           | 59           | 84           | 122          | 122       |
| Kansas and Missouri              | 175          | 189          | 136          | 190          | 203          | 144       |
| Kentucky—Eastern                 | 998          | 1,033        | 816          | 931          | 898          | 560       |
| Kentucky—Western                 | 309          | 308          | 218          | 255          | 282          | 215       |
| Maryland                         | 40           | 38           | 42           | 39           | 36           | 52        |
| Michigan                         | 10           | 6            | 7            | 12           | 18           | 32        |
| Montana (bituminous and lignite) | 79           | 91           | 67           | 59           | 72           | 68        |
| New Mexico                       | 44           | 43           | 33           | 29           | 41           | 53        |
| North and South Dakota (lignite) | 50           | 69           | 31           | 54           | 38           | **34      |
| Ohio                             | 733          | 739          | 685          | 627          | 644          | 740       |
| Pennsylvania (bituminous)        | 2,839        | 2,900        | 2,933        | 2,875        | 2,849        | 3,249     |
| Tennessee                        | 166          | 157          | 141          | 156          | 115          | 118       |
| Texas (bituminous and lignite)   | 6            | 6            | 6            | 7            | 14           | 19        |
| Utah                             | 131          | 130          | 99           | 78           | 93           | 68        |
| Virginia                         | 436          | 458          | 342          | 375          | 333          | 230       |
| Washington                       | 27           | 37           | 38           | 41           | 38           | 74        |
| West Virginia—Southern           | 2,345*       | 2,453        | 2,144        | 2,149        | 2,079        | 1,172     |
| West Virginia—Northern           | 968          | 962          | 892          | 829          | 767          | 717       |
| Wyoming                          | 201          | 201          | 149          | 145          | 132          | 136       |
| Other Western States             | 1            | 1            | 1            | ††           | 1            | **7       |
| Total bituminous and lignite     | 12,360       | 12,600       | 11,075       | 11,493       | 11,365       | 10,764    |
| §Pennsylvania anthracite         | 1,221        | 1,292        | 1,107        | 1,146        | 1,334        | 2,040     |
| Total all coal                   | 13,581       | 13,892       | 12,182       | 12,639       | 12,699       | 12,804    |

\*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.

### National Fertilizer Association Price Index Higher Last Week

There was another upturn in wholesale commodity price levels last week led by a rise in farm products. The weekly wholesale commodity price index compiled by The National Fertilizer Association and made public April 5, in the week ended April 3, 1943, rose to 136.5% of the 1935-1939 average, compared with 135.9% in the preceding week. At this level the index is 1.3% above the corresponding week a month ago when it registered 134.8%, and is 8.4% higher than at this time a year ago.

The advance in the all-commodity index was brought about chiefly by a marked rise in farm products. The farm product price index continued its upward trend as 12 items included in the group advanced and only 2 declined. Price advances for oranges and dried beans were sufficient to offset declines in several other commodities, with the result that the food price index advanced for the fifth consecutive week. The fuel index moved into higher ground due to an increase in the price of crude petroleum. Advancing quotations for cotton caused a rise in the textile index, taking it to a new peak level. Last week none of the group averages in the composite index declined.

During the week 16 price series included in the index advanced and 5 declined; in the preceding week there were 11 advances and

9 declines; in the second preceding week there were 11 declines and 9 advances.

#### 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    |
|-------------------------------------|---------------------------|-------------|----------------|--------------|-------------|
|                                     |                           | Apr. 3 1943 | Mar. 27 1943   | Feb. 27 1943 | Apr. 4 1942 |
| 25.3                                | Foods                     | 138.8       | 138.7          | 137.0        | 122.4       |
|                                     | Fats and Oils             | 147.7       | 148.0          | 148.1        | 136.8       |
|                                     | Cottonseed Oil            | 159.0       | 160.1          | 159.0        | 159.0       |
| 23.0                                | Farm Products             | 157.9       | 155.8          | 153.4        | 137.3       |
|                                     | Cotton                    | 203.6       | 201.7          | 199.8        | 193.2       |
|                                     | Grains                    | 149.2       | 140.6          | 137.5        | 115.9       |
|                                     | Livestock                 | 152.8       | 152.4          | 149.8        | 131.8       |
| 17.3                                | Fuels                     | 122.2       | 121.8          | 121.7        | 117.4       |
| 10.8                                | Miscellaneous commodities | 130.4       | 130.4          | 129.7        | 128.1       |
| 8.2                                 | Textiles                  | 151.8       | 151.5          | 151.2        | 149.0       |
| 7.1                                 | Metals                    | 104.4       | 104.4          | 104.4        | 104.4       |
| 6.1                                 | Building materials        | 152.2       | 152.2          | 151.9        | 139.9       |
| 1.3                                 | Chemicals and drugs       | 126.6       | 126.6          | 127.6        | 120.3       |
| .3                                  | Fertilizer materials      | 117.9       | 117.9          | 117.6        | 118.8       |
| .3                                  | Fertilizers               | 119.8       | 119.8          | 119.8        | 115.3       |
| .3                                  | Farm machinery            | 104.1       | 104.1          | 104.1        | 104.1       |
| 100.0                               | All groups combined       | 136.5       | 135.9          | 134.8        | 125.9       |

\*Indexes on 1926-1928 base were April 3, 1943, 106.3; March 27, 105.9; April 4, 1942, 98.1.

### Continental U. S. Construction \$61,389,000 For Week; Private Work Gains

Civil engineering construction in continental United States totals \$61,389,000 for the week. This volume, not including the construction by military combat engineers, American contracts outside the country, and shipbuilding, is 43% below the total for the corresponding 1942 week, and is 17% lower than a week ago as reported by "Engineering News-Record" on April 1, which added:

Private construction tops the week last year by 18%, but is 8% below last week. Public work is 51 and 20% lower, respectively, than a year ago and a week ago as both Federal construction and State and municipal construction are down.

The week's total brings 1943 construction to \$900,430,000, an average of \$69,264,000 for each of the thirteen weeks of the year. On the weekly average basis, 1943 volume is 54% under the \$2,100,224,000 for the fourteen-week 1942 period. Private construction, \$96,494,000, is 48% lower than last year, and public construction, \$803,936,000, is down 54% when adjusted for the difference in the number of weeks.

Continental U. S. construction volumes for the 1942 week, last week, and this week are:

|                      | Apr. 2, 1942  | Mar. 25, 1943 | Apr. 1, 1943 |
|----------------------|---------------|---------------|--------------|
| Total Construction   | \$107,136,000 | \$74,130,000  | \$61,389,000 |
| Private Construction | 12,224,000    | 15,705,000    | 14,452,000   |
| Public Construction  | 94,912,000    | 58,425,000    | 46,937,000   |
| State and Municipal  | 11,878,000    | 4,356,000     | 4,350,000    |
| Federal              | 83,034,000    | 54,069,000    | 42,587,000   |

In the classified construction groups, gains over last week are in waterworks, sewerage, bridges, and commercial and public buildings. Increases over the 1942 week are in bridges and commercial buildings. Subtotals for the week in each class of construction are: waterworks, \$1,920,000; sewerage, \$999,000; bridges, \$860,000; industrial buildings, \$766,000; commercial buildings, \$13,516,000; public buildings, \$30,683,000; earthwork and drainage, \$222,000; streets and roads, \$4,204,000; and unclassified construction, \$8,219,000.

New capital for construction purposes for the week totals \$1,387,000. It is made up entirely of State and municipal bond sales. The week's financing brings 1943 volume for the thirteen weeks to \$64,105,000. This compares with \$2,414,379,000 reported for the fourteen-week period a year ago.

### N. Y. Reserve Bank Index At Record In February

In February the seasonally adjusted index of production and trade computed at the Federal Reserve Bank of New York rose to a record level of 128% of estimated long-term trend, three points above the figure for January and 14 points above that for February, 1942, the Bank announced on March 26. Retail trade and primary distribution showed marked gains in February and productive activity held close to the record level of last December.

The bank further stated: "In respect to retail trade, the February rise was to a large extent due to exceptionally active sales by department stores resulting from buying, particularly of clothing, in anticipation of rumored future rationing. The component index of distribution to consumer, which had risen six points between December and January, advanced eight points further in February.

"The index of output of producers' durable goods advanced three points between January and February, evidencing a further rise in the manufacturing of war goods and an increase in the daily rate of steel production. The producers' non-durable goods index advanced two points in February. Reflecting in part the adoption of a six-day week by most of the industry, the daily rate of bituminous coal production rose to the highest level in nearly sixteen years, and the daily consumption of cotton was higher in February than in the preceding month. Output of consumers' goods was maintained at approximately the January level during February."

#### INDEXES OF PRODUCTION AND TRADE

100—estimated long term trend

| Index of production and Trade | 1942 |      | 1943  |       |
|-------------------------------|------|------|-------|-------|
|                               | Feb. | Dec. | *Jan. | *Feb. |
| Production                    | 114  | 123  | 125   | 128   |
| Producers' goods—total        | 120  | 136  | 135   | 136   |
| Producers' durable goods      | 143  | 174  | 172   | 174   |
| Producers' nondurable goods   | 158  | 207  | 206   | 209   |
| Consumers' goods—total        | 128  | 131  | 133   | 135   |
| Consumers' durable goods      | 92   | 91   | 87    | 87    |
| Consumers' nondurable goods   | 56   | 39   | 40    | 41    |
| Durable goods—total           | 105  | 108  | 103   | 102   |
| Nondurable goods—total        | 128  | 157  | 157   | 160   |
| Primary distribution          | 113  | 117  | 115   | 116   |
| Distribution to consumer      | 118  | 142  | 144   | 150   |
| Miscellaneous services        | 96   | 82   | 88    | 96    |
|                               | 115  | 147  | 147   | 149   |

\*Indexes are preliminary. Series are adjusted individually for estimated long term trend and seasonal variations; those reported in dollars are also adjusted for price changes. †Tabulations (from 1919, monthly) of the indexes given above are available upon request. Composition and weights are shown on a separate release, "Composition of Production and Trade Indexes." See description in "Journal of the American Statistical Association" June, 1938, pp. 341-8, and September, 1941, pp. 423-5. Reprints available upon request.

### Cotton Planting 10% Over Allotments Allowed

Secretary of Agriculture Wickard announced on March 6 that farmers will be permitted to increase their 1943 allotments of cotton by 10%. This action was taken, the Secretary said, in an effort to increase the production of vegetable oils for food and protein feed for livestock. These products are made from cottonseed.

In reporting this, Associated Press advised further reported Secretary Wickard as saying:

"I think we should recognize that there are some areas in the cotton belt that are better adapted to the production of cotton than to other crops. The 10% increase should enable some of these areas to make a more complete contribution to our production program. Cottonseed meal is an excellent source of protein feed for livestock and cottonseed oil is one of the best edible oils."

Mr. Wickard stated that marketing quotas, which were approved by farmers voting in a referendum last December, would be retained. Under quotas, raisers would be free to sell all the cotton they produced on their new acreage allotments.

Mr. Wickard's action actually gave farmers permission to overplant their allotments by 10%. In consequence, they will receive benefit payments only on the allotments as originally established. The original national allotment was 27,300,000 acres.

Mr. Wickard said the 10% increase in no way relaxed provisions of the cotton program requiring farmers to plant at least 90% of their war crop goals to be eligible for cotton benefit payments.

### 1943 Great Lakes Iron Ore Movement To Set Record

A tentative quota of 95,000,000 gross tons, mine weight, for the 1943 Great Lakes iron ore movement was announced recently by the War Production Board. It is subject to revision upward or downward during the season as conditions dictate.

The quota is almost 3,000,000 tons more than the record 92,076,781 tons moved in the 1942 season and is 15,000,000 tons higher than the 1941 figure. Prior to 1941, the record, set in 1916, was 66,000,000 tons.

The 1943 figure was arrived at in conferences between producers, consumers, shippers and the Steel Division and the Stockpile and Transportation Division of WPB. The latter will prepare a directive to the Office of Defense Transportation to make the necessary ship space available.

While no undue difficulty is expected in meeting this year's goal because of the scheduled addition of 16 new carriers to the Great Lakes fleet, weather will be the controlling factor. An early spring in 1942 permitted the icebreakers to clean channels in March so that the actual ore movement got started downlake on March 25 and continued for a long 254-day season.

The outlook for such an early opening is not good this year, but the addition of 16 big ships to last year's 305-boat fleet will more than make up the difference. Half the new ships are expected to be in service early in the season and the others shortly after the midway mark is reached. These boats will carry 14,000 tons each and make four trips a month.

The size of the shipping task is shown by the fact that an average of 395,866 tons of ore must be loaded and shipped daily from the upper lake ports in an average season of 240 days to meet the quota. The WPB's announcement concluded.

### 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†<br>(Based on Average Yields) |                         |                         |                       |        |        |       |                      |        |        |
|---|-------------------------|-------------------------|-----------------------|--------|--------|-------|----------------------|--------|--------|
| 1943—<br>Daily<br>Averages                        | U. S.<br>Govt.<br>Bonds | Ave.<br>Corpo-<br>rate* | Corporate by Ratings* |        |        |       | Corporate by Groups* |        |        |
|   |                         |                         | Aaa                   | Aa     | A      | Baa   | R. R.                | P. U.  | Indus. |
| Apr. 6  | 117.44                  | 109.79                  | 117.80                | 115.43 | 110.52 | 96.85 | 101.14               | 113.12 | 115.82 |
| 5   | 117.51                  | 109.79                  | 117.80                | 115.43 | 110.52 | 96.85 | 101.14               | 113.12 | 115.82 |
| 3   | 117.38                  | 109.80                  | 117.60                | 115.43 | 110.52 | 96.85 | 100.98               | 112.93 | 115.63 |
| 2   | 117.29                  | 109.79                  | 117.80                | 115.43 | 110.52 | 96.85 | 100.98               | 113.12 | 115.63 |
| 1   | 117.20                  | 109.60                  | 117.80                | 115.43 | 110.52 | 96.69 | 100.98               | 113.12 | 115.63 |
| Mar. 31   | 117.11                  | 109.60                  | 117.80                | 115.43 | 110.52 | 96.54 | 100.81               | 113.12 | 115.63 |
| 30  | 117.07                  | 109.60                  | 117.80                | 115.43 | 110.52 | 96.38 | 100.65               | 113.12 | 115.63 |
| 29  | 116.99                  | 109.60                  | 117.80                | 115.43 | 110.52 | 96.23 | 100.65               | 113.12 | 115.63 |
| 27  | 116.96                  | 109.60                  | 117.80                | 115.43 | 110.70 | 96.23 | 100.65               | 113.12 | 115.63 |
| 26  | 116.93                  | 109.60                  | 117.80                | 115.43 | 110.52 | 96.23 | 100.65               | 113.12 | 115.63 |
| 25  | 116.90                  | 109.42                  | 117.80                | 115.43 | 110.52 | 96.07 | 100.49               | 113.12 | 115.63 |
| 24  | 116.86                  | 109.42                  | 117.80                | 115.43 | 110.52 | 95.92 | 100.49               | 113.12 | 115.63 |
| 23  | 116.86                  | 109.60                  | 118.00                | 115.63 | 110.52 | 95.92 | 100.49               | 113.12 | 115.82 |
| 22  | 116.86                  | 109.42                  | 117.80                | 115.43 | 110.52 | 95.92 | 100.49               | 113.12 | 115.63 |
| 20  | 116.86                  | 109.42                  | 117.80                | 115.43 | 110.52 | 95.92 | 100.32               | 113.12 | 115.63 |
| 19  | 116.86                  | 109.42                  | 117.60                | 115.43 | 110.52 | 95.92 | 100.32               | 113.12 | 115.63 |
| 18  | 116.87                  | 109.42                  | 117.80                | 115.63 | 110.52 | 95.77 | 100.32               | 113.12 | 115.63 |
| 17  | 116.87                  | 109.42                  | 117.80                | 115.43 | 110.52 | 95.77 | 100.32               | 113.12 | 115.63 |
| 16  | 116.87                  | 109.42                  | 117.60                | 115.43 | 110.52 | 95.92 | 100.32               | 113.12 | 115.63 |
| 15  | 116.87                  | 109.42                  | 117.80                | 115.43 | 110.52 | 95.77 | 100.16               | 112.93 | 115.43 |
| 13  | 116.87                  | 109.42                  | 117.80                | 115.43 | 110.52 | 95.77 | 100.32               | 113.12 | 115.43 |
| 12  | 116.87                  | 109.24                  | 117.60                | 115.43 | 110.34 | 95.77 | 100.16               | 112.93 | 115.43 |
| 11  | 116.89                  | 109.24                  | 117.60                | 115.43 | 110.34 | 95.77 | 100.16               | 112.93 | 115.63 |
| 10  | 116.89                  | 109.24                  | 117.60                | 115.43 | 110.34 | 95.77 | 100.16               | 113.12 | 115.63 |
| 9   | 116.90                  | 109.24                  | 117.60                | 115.24 | 110.34 | 95.62 | 100.16               | 112.93 | 115.43 |
| 8   | 116.93                  | 109.42                  | 117.80                | 115.43 | 110.34 | 95.77 | 100.16               | 112.93 | 115.43 |
| 6   | 116.98                  | 109.24                  | 117.60                | 115.24 | 110.34 | 95.77 | 100.16               | 113.12 | 115.43 |
| 5   | 116.97                  | 109.42                  | 117.80                | 115.43 | 110.34 | 95.77 | 100.16               | 113.12 | 115.43 |
| Feb 26  | 117.11                  | 109.24                  | 117.60                | 115.43 | 110.15 | 95.47 | 100.00               | 112.93 | 115.43 |
| 19  | 117.11                  | 109.06                  | 117.60                | 115.24 | 110.15 | 95.01 | 99.68                | 112.93 | 115.43 |
| 11  | 117.13                  | 108.88                  | 117.60                | 115.24 | 109.97 | 94.86 | 99.36                | 112.93 | 115.43 |
| 5   | 117.09                  | 108.88                  | 117.60                | 115.04 | 109.97 | 94.71 | 99.04                | 112.75 | 115.63 |
| Jan. 29   | 117.04                  | 108.70                  | 117.60                | 115.04 | 109.79 | 94.56 | 99.04                | 112.56 | 115.43 |
| 22  | 117.05                  | 108.34                  | 117.20                | 114.66 | 109.60 | 94.26 | 98.73                | 112.37 | 115.24 |
| 15  | 117.05                  | 108.16                  | 117.20                | 114.66 | 109.42 | 93.82 | 98.41                | 112.19 | 115.04 |
| 8   | 117.02                  | 107.62                  | 116.80                | 114.08 | 109.06 | 92.93 | 97.62                | 112.00 | 114.66 |
| 1 Exchange Closed                                 |                         |                         |                       |        |        |       |                      |        |        |
| High 1943   | 117.51                  | 109.79                  | 118.00                | 115.63 | 110.70 | 96.85 | 101.14               | 113.31 | 115.82 |
| Low 1943  | 116.85                  | 107.44                  | 116.80                | 113.89 | 108.88 | 92.35 | 97.16                | 111.81 | 114.46 |
| High 1942   | 118.41                  | 107.62                  | 117.20                | 114.27 | 108.88 | 92.64 | 97.47                | 112.19 | 114.66 |
| Low 1942  | 115.90                  | 106.04                  | 115.43                | 112.75 | 107.09 | 90.63 | 95.32                | 109.60 | 112.75 |
| 1 Year ago  |                         |                         |                       |        |        |       |                      |        |        |
| Apr. 6, 1942                                      | 118.16                  | 106.92                  | 116.22                | 113.70 | 107.62 | 92.20 | 97.16                | 110.52 | 113.89 |
| 2 Years ago                                       |                         |                         |                       |        |        |       |                      |        |        |
| Apr. 5, 1941                                      | 117.48                  | 106.04                  | 116.80                | 112.37 | 106.21 | 91.34 | 96.85                | 109.97 | 112.19 |

| MOODY'S BOND YIELD AVERAGES†<br>(Based on Individual Closing Prices) |                         |                         |                      |      |      |      |                     |       |        |
|--|-------------------------|-------------------------|----------------------|------|------|------|---------------------|-------|--------|
| 1943—<br>Daily<br>Averages   | U. S.<br>Govt.<br>Bonds | Ave.<br>Corpo-<br>rate* | Corporate by Ratings |      |      |      | Corporate by Groups |       |        |
|  |                         |                         | Aaa                  | Aa   | A    | Baa  | R. R.               | P. U. | Indus. |
| Apr. 6   | 2.05                    | 3.18                    | 2.76                 | 2.88 | 3.14 | 3.95 | 3.68                | 3.00  | 2.86   |
| 5  | 2.04                    | 3.18                    | 2.76                 | 2.88 | 3.14 | 3.95 | 3.68                | 3.00  | 2.86   |
| 3  | 2.05                    | 3.19                    | 2.77                 | 2.88 | 3.14 | 3.95 | 3.69                | 3.01  | 2.87   |
| 2  | 2.06                    | 3.18                    | 2.76                 | 2.88 | 3.14 | 3.95 | 3.69                | 3.00  | 2.87   |
| 1  | 2.07                    | 3.19                    | 2.76                 | 2.88 | 3.14 | 3.96 | 3.69                | 3.00  | 2.87   |
| Mar. 31  | 2.07                    | 3.19                    | 2.76                 | 2.88 | 3.14 | 3.97 | 3.70                | 3.00  | 2.87   |
| 30   | 2.07                    | 3.19                    | 2.76                 | 2.88 | 3.14 | 3.98 | 3.71                | 3.00  | 2.87   |
| 29   | 2.08                    | 3.19                    | 2.76                 | 2.88 | 3.14 | 3.99 | 3.71                | 3.00  | 2.87   |
| 27   | 2.08                    | 3.19                    | 2.76                 | 2.88 | 3.14 | 3.99 | 3.71                | 3.00  | 2.87   |
| 26   | 2.08                    | 3.19                    | 2.76                 | 2.88 | 3.14 | 3.99 | 3.71                | 3.00  | 2.87   |
| 25   | 2.08                    | 3.20                    | 2.76                 | 2.88 | 3.14 | 4.00 | 3.72                | 3.00  | 2.87   |
| 24   | 2.08                    | 3.20                    | 2.76                 | 2.88 | 3.14 | 4.01 | 3.72                | 3.00  | 2.87   |
| 23   | 2.08                    | 3.19                    | 2.75                 | 2.88 | 3.14 | 4.01 | 3.72                | 3.00  | 2.87   |
| 22   | 2.08                    | 3.20                    | 2.76                 | 2.88 | 3.14 | 4.01 | 3.72                | 3.00  | 2.86   |
| 20   | 2.07                    | 3.20                    | 2.76                 | 2.88 | 3.14 | 4.01 | 3.73                | 3.00  | 2.87   |
| 19   | 2.07                    | 3.20                    | 2.77                 | 2.88 | 3.14 | 4.01 | 3.73                | 3.00  | 2.87   |
| 18   | 2.07                    | 3.20                    | 2.76                 | 2.88 | 3.14 | 4.02 | 3.73                | 3.00  | 2.87   |
| 17   | 2.07                    | 3.20                    | 2.76                 | 2.88 | 3.14 | 4.02 | 3.73                | 3.00  | 2.87   |
| 16   | 2.07                    | 3.20                    | 2.77                 | 2.88 | 3.14 | 4.02 | 3.73                | 3.00  | 2.87   |
| 15   | 2.07                    | 3.20                    | 2.76                 | 2.88 | 3.14 | 4.02 | 3.74                | 3.01  | 2.88   |
| 13   | 2.07                    | 3.20                    | 2.76                 | 2.88 | 3.14 | 4.02 | 3.73                | 3.00  | 2.88   |
| 12   | 2.07                    | 3.21                    | 2.77                 | 2.88 | 3.15 | 4.02 | 3.74                | 3.01  | 2.88   |
| 11   | 2.07                    | 3.21                    | 2.77                 | 2.88 | 3.15 | 4.02 | 3.74                | 3.01  | 2.87   |
| 10   | 2.07                    | 3.21                    | 2.77                 | 2.88 | 3.15 | 4.02 | 3.74                | 3.00  | 2.87   |
| 9  | 2.07                    | 3.21                    | 2.77                 | 2.89 | 3.15 | 4.03 | 3.74                | 3.01  | 2.88   |
| 8  | 2.07                    | 3.20                    | 2.76                 | 2.88 | 3.15 | 4.02 | 3.74                | 3.01  | 2.88   |
| 6  | 2.07                    | 3.21                    | 2.77                 | 2.89 | 3.15 | 4.02 | 3.74                | 3.00  | 2.88   |
| 5  | 2.07                    | 3.20                    | 2.76                 | 2.88 | 3.15 | 4.02 | 3.74                | 3.00  | 2.88   |
| Feb 26   | 2.06                    | 3.21                    | 2.77                 | 2.88 | 3.16 | 4.04 | 3.75                | 3.01  | 2.88   |
| 19   | 2.06                    | 3.22                    | 2.77                 | 2.89 | 3.16 | 4.07 | 3.77                | 3.01  | 2.88   |
| 11   | 2.06                    | 3.23                    | 2.77                 | 2.89 | 3.17 | 4.08 | 3.79                | 3.01  | 2.88   |
| 5  | 2.06                    | 3.23                    | 2.77                 | 2.90 | 3.17 | 4.09 | 3.81                | 3.02  | 2.87   |
| Jan. 29  | 2.06                    | 3.24                    | 2.77                 | 2.90 | 3.18 | 4.10 | 3.81                | 3.03  | 2.88   |
| 22   | 2.06                    | 3.26                    | 2.79                 | 2.92 | 3.19 | 4.12 | 3.83                | 3.04  | 2.89   |
| 15   | 2.06                    | 3.27                    | 2.79                 | 2.92 | 3.20 | 4.15 | 3.85                | 3.05  | 2.90   |
| 8  | 2.07                    | 3.30                    | 2.81                 | 2.95 | 3.22 | 4.21 | 3.90                | 3.06  | 2.92   |
| 1 Exchange Closed  |                         |                         |                      |      |      |      |                     |       |        |
| High 1943  | 2.08                    | 3.31                    | 2.81                 | 2.96 | 3.23 | 4.25 | 3.93                | 3.07  | 2.93   |
| Low 1943   | 2.04                    | 3.18                    | 2.75                 | 2.87 | 3.13 | 3.95 | 3.68                | 2.99  | 2.86   |
| High 1942  | 2.14                    | 3.39                    | 2.88                 | 3.02 | 3.33 | 4.37 | 4.05                | 3.19  | 3.02   |
| Low 1942   | 1.93                    | 3.30                    | 2.79                 | 2.94 | 3.23 | 4.23 | 3.91                | 3.05  | 2.92   |
| 1 Year ago   |                         |                         |                      |      |      |      |                     |       |        |
| Apr. 6, 1942   | 1.96                    | 3.34                    | 2.84                 | 2.97 | 3.30 | 4.26 | 3.93                | 3.14  | 2.96   |
| 2 Years ago  |                         |                         |                      |      |      |      |                     |       |        |
| Apr. 5, 1941   | 2.01                    | 3.39                    | 2.81                 | 3.04 | 3.38 | 4.32 | 3.95                | 3.17  | 3.05   |

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

†The latest complete list of bonds used in computing these indexes was published in the issue of Jan. 14, 1943, 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 |                      |                   |                   |               |                   |                           |
|---|----------------------|-------------------|-------------------|---------------|-------------------|---------------------------|
| Month—  | Industrials<br>(125) | Railroads<br>(25) | Utilities<br>(25) | Banks<br>(15) | Insurance<br>(10) | Average<br>Yield<br>(200) |
| March, 1942   | 7.7%                 | 8.2%              | 8.5%              | 6.0%          | 5.0%              | 7.7%                      |
| April, 1942   | 7.7                  | 8.3               | 8.5               | 6.1           | 5.3               | 7.8                       |
| May, 1942   | 6.7                  | 7.8               | 8.2               | 5.7           | 4.9               | 6.9                       |
| June, 1942  | 6.4                  | 7.8               | 8.4               | 5.6           | 4.8               | 6.6                       |
| July, 1942  | 6.1                  | 7.7               | 8.2               | 5.5           | 4.7               | 6.3                       |
| August, 1942  | 6.0                  | 7.5               | 8.0               | 5.1           | 4.7               | 6.4                       |
| September, 1942                                     | 5.8                  | 7.3               | 7.9               | 4.9           | 4.5               | 6.1                       |
| October, 1942                                       | 5.5                  | 7.0               | 7.2               | 5.0           | 4.4               | 5.8                       |
| November, 1942                                      | 5.5                  | 8.0               | 7.1               | 5.2           | 4.5               | 5.9                       |
| December, 1942                                      | 5.3                  | 8.6               | 7.2               | 5.0           | 4.2               | 5.7                       |
| January, 1943                                       | 5.0                  | 7.9               | 6.8               | 4.5           | 4.1               | 5.4                       |
| February, 1943                                      | 4.7                  | 7.3               | 6.3               | 4.4           | 4.1               | 5.1                       |
| March, 1943   | 4.5                  | 6.8               | 6.2               | 4.0           | 3.9               | 4.8                       |

### Electric Output For Week Ended April 3, 1943 Shows 16.2% Gain Over Same Week Last Year

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended April 3, 1943, was approximately 3,889,858,000 kwh., compared with 3,348,608,000 kwh. in the corresponding week last year, an increase of 16.2%. The output for the week ended March 27, 1943, was 17.4% in excess of the similar period of 1942.

| PERCENTAGE INCREASE OVER PREVIOUS YEAR |             |         |         |         |
|--|-------------|---------|---------|---------|
| Major Geographical Divisions—          | Week Ended— |         |         |         |
|  | Apr. 3      | Mar. 27 | Mar. 20 | Mar. 13 |
| New England                            | 10.0        | 7.5     | 8.2     | 7.7     |
| Middle Atlantic                        | 13.1        | 12.5    | 11.6    | 11.7    |
| Central Industrial                     | 13.1        | 14.8    | 14.7    | 16.2    |
| West Central                           | 11.0        | 14.2    | 14.6    | 16.2    |
| Southern States                        | 22.5        | 25.4    | 26.0    | 24.1    |
| Rocky Mountain                         | 12.3        | 12.2    | 12.5    | 13.1    |
| Pacific Coast                          | 24.4        | 26.3    | 28.3    | 25.8    |
| Total United States                    | 16.2        | 17.4    | 17.6    | 17.5    |

| DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours) |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Week Ended—   | 1943      | 1942      | % Change  |           |           |           |
|   |           |           | over 1942 | 1941      | 1932      | 1929      |
| Jan 2   | 3,779,993 | 3,288,685 | +14.9     | 2,845,727 | 1,619,265 | 1,542,000 |
| Jan 9   | 3,952,587 | 3,472,579 | +13.8     | 3,002,454 | 1,602,482 | 1,733,810 |
| Jan 16  | 3,952,479 | 3,450,468 | +14.5     | 3,012,638 | 1,596,201 | 1,736,729 |
| Jan 23  | 3,974,202 | 3,440,163 | +15.5     | 2,996,155 | 1,588,967 | 1,717,315 |
| Jan 30  | 3,976,844 | 3,468,193 | +14.7     | 2,994,047 | 1,588,853 | 1,728,203 |
| Feb 6   | 3,960,242 | 3,474,638 | +         |           |           |           |

## Wallace On Tour Of Latin America

Vice-President Henry A. Wallace, who is on a good-will tour of seven Latin-America republics, expressed the hope on March 23 that the peace after this war will bring about a Federal union which would have in its membership the entire world. Mr. Wallace made this statement in an address to the Bolivarian Society of Panama echoing the ideal of Gen. Simon Bolivar, the South American liberator, who laid down the guiding principles for the first Pan-American Congress in 1826. The Vice-President, who received the Society's medal for his efforts on behalf of Pan-Americanism, also declared that the freedom desired by Bolivar can and must be the one proclaimed by President Roosevelt in his four freedoms and that "this freedom must be universal, for there cannot be a world half free and half slave."

Mr. Wallace's official tour began in San Jose, Costa Rica, on March 18, he having traveled there by commercial airplane. During his three-day visit to Costa Rica, Mr. Wallace addressed a special session of Congress and attended the inauguration of the Inter-American Institute of Agricultural Sciences at Turrialba.

The Vice-President, who is accompanied by Laurence Duggan, State Department adviser on political relations, and Hector Lazo of the Board of Economic Warfare, which Mr. Wallace heads, traveled to Panama on March 21 attending a farm fair at David, Panama. He was the guest of the President of Panama, Ricardo Adolfo de La Guardia, on March 22.

Mr. Wallace arrived in Santiago, Chile, on March 26 for a ten-day stay, during which time he planned a tour of Chile's agricultural and mining regions. He began his first full day's round of activities on March 27 by paying an official call on President Juan Antonio Rios, reviewing a parade of Chile's armed forces, and addressing a joint session of Congress. On March 28 Mr. Wallace addressed a mass meeting of approximately 80,000 persons in the National Stadium, expressing his belief that the dream of "brotherhood among nations" was about to come true for the Americas but that each nation must bear its share of the heavy responsibility at present hanging over the hemisphere.

At Santiago, Chile, on March 31 the Vice-President told a press conference that after the war United States investments in Latin America should be under the control of "an international board."

On April 1 Mr. Wallace visited Valparaiso and concluded his visit to Chile on April 4. His good-will tour took him to Bolivia on April 5.

Later, the Vice-President will visit Peru and Ecuador, returning to the United States about April 25.

## NY State Income Tax Amendments Explained

New York State taxpayers, now filing their State income tax returns for 1942, should experience no difficulty in getting the benefit of new laws comprising Governor Dewey's program to "humanize" the income tax, even though the State income tax blanks, printed in advance of enactment of these laws, contain no mention of the new exemption and deductions, it is pointed out by the Department of Taxation and Finance.

Referring to the recently enacted amendments, which apply to returns due April 15, Rollin Browne, President of the State Tax Commission, offered on March 13 the following sug-

gestions to taxpayers in the preparation of their returns:

"1—If the taxpayer claims the new exemption for a dependent over 18 in college or school, he should indicate this on lines 8 and 9 of page 1 of the return and take the credit on line 12. A statement should be attached, explaining the dependency claim, giving the name of the school and the period of attendance. This exemption of \$400 may be claimed for a dependent over 18 years of age who was in full time attendance at an approved school or college in 1942.

"2—If the taxpayer is entitled to the new deduction for life insurance premiums, this deduction may be entered on line 31d, Page 2, under "other deductions," and a complete explanation should be made either in Schedule 1 on Page 2 or in an attached statement. The statement should list life insurance premium payments, give the name of the insurance company, the type of policy and the name of the assured. The taxpayer is entitled to a deduction for life insurance premium payments only on policies on his own life up to a maximum limit of \$150. The amount should represent net premiums, after deduction of any dividends.

"3—Deductions for medical expenses, which are allowable only under certain prescribed conditions, may also be entered on line 31d, Page 2, under "other deductions" and a complete explanation made either in Schedule 1 of the same page or in an attached statement. The explanation should include amounts expended, the name of the attending physician, the name and relationship of the person for whom the expenditures were made, any amounts received from an accident or health insurance policy, and the cost of such policy.

"The medical expense deduction may be taken only for amounts expended in excess of 5% of net income, computed without benefit of this deduction. The maximum deduction is \$1,500 for a husband and wife who file a joint return, or for a head of family. The maximum deduction of any other individual is \$750. No deduction may be taken for medical expenses compensated for by insurance or otherwise."

Taxpayers were reminded by Commissioner Browne that they may now pay by installment if the tax is more than \$5. If your tax is \$20 or more, you may pay in four equal quarterly installments; if more than \$5 but less than \$20, no installment payment may be for less than \$5, except the last. Returns and payments are due April 15.

## Three Steps To Aid Small Business In War

Three specific recommendations to help small business adjust to war conditions more effectively were made on March 17 by the Commerce and Industry Association of New York, Inc. The memorandum, released by the Association's Secretary, Thomas Jefferson Miley, was prepared by Wadsworth W. Mount, Manager of the Association's Industrial Bureau, and is based on the experience of the Bureau gained through its extensive efforts to help New York City businesses obtain war work and meet wartime problems.

These suggestions have been sent to the Washington officials directly concerned, and in his letter to them Mr. Miley said: "These recommendations are not designed to benefit New York alone, as the problem of preserving individual business organizations is nationwide in scope."

The suggestions are as follows: "1. Unfreeze existing inventories in hands of all little or big business, now arbitrarily frozen

by limitation orders, when such inventories cannot efficiently be taken for war production.

"2. Have Army, Navy and Maritime Commission's procurement offices post in their announcements to prospective bidders, the lowest prices, including the size of the procurement, at which a particular article had been bought by them on the last three procurements of that item, or nearest comparable item.

"3. The War Production Board in New York City publishes the 'War Production News,' in which is listed under one column 'Sub-Contractors Wanted' and in another column, 'Special Facilities Available'—all under code numbers—so that both the prime contractors and the sub-contractors have to take their time to get in touch with the War Production Board office in order to get in touch with each other. If the names and addresses of both parties were presented also, American business men could get together and do their own business without the intermediary costs in time and effort of clearing their information through the WPB."

In conclusion the memorandum states:

"The preservation of free private enterprise requires the preservation of a maximum number of existing small businesses throughout the war period. This can only be done if they are allowed to do business in normal, legal ways, with what materials and abilities are left to them after the war effort has taken its needs of manpower and materials out of the stream of small business production.

"These suggestions are based on the belief that it is more practical and easier to help existing businesses stay alive in normal ways, rather than to try to resuscitate them by Government programs designed to offset what appear to be needlessly damaging factors in other Government programs."

## BEW Names Dr. Baruch To Brazilian Post

Dr. Herman B. Baruch has been placed in charge of the Brazilian office of the Board of Economic Warfare, it was announced on March 9.

Dr. Baruch, who is a brother of Bernard M. Baruch, head of the War Industries Board in the first World War, will take the place of Cresswell Micou who "will remain with the BEW in Brazil in another important administrative capacity."

The appointment of Dr. Baruch was said to have been made with a view to eliminating controversies that have arisen among the number of United States agencies in Brazil over the extent of activities there.

Dr. Baruch is a member of the firm of H. Hentz & Co., New York commodity brokers.

## To Redeem Panama 6½s

The National City Bank of New York, as fiscal agent, is notifying holders of Municipality of Panama (Republic of Panama) external 25-year secured sinking fund 6½% gold bonds, due June 1, 1952, that it will redeem and pay on June 1, 1943, all of the outstanding bonds of such issue at a price equivalent to 101% of the principal amount thereof, together with unpaid accrued interest to the redemption date. All unpaid coupons from Dec. 1, 1936, to June 1, 1943, both inclusive, will be included in the payment.

The said bonds and the interest coupons should be presented at the principal office of The National City Bank of New York, as fiscal agent. Interest on the bonds drawn for redemption shall cease from and after the redemption date.

## State Pay-Go Tax Plan Urged By NY Chamber

The pay-as-you-go plan for the payment of State income taxes was endorsed on March 12 by the Committee on Taxation of the Chamber of Commerce of the State of New York in an interim report approving the Mitchell Bill now pending at Albany. Copies of the report were sent to Governor Dewey and members of the Legislature. The committee, of which Charles B. Couchman is Chairman, pointed out in the report that the same reasons which make the pay-as-you-go system desirable for Federal income taxes apply with equal force to state taxes. The report said:

"Such a system will help the taxpayer to meet his obligations to the Government when due, will keep him out of debt, will increase his ability to balance his monthly expense budget and will bring more money into the Federal and State treasuries with less hardship to the taxpayer."

Other members of the Committee, in addition to the Chairman, were George H. Coppers, Peter Grimm, J. Wilbur Lewis and Edmond E. Lincoln. The report will come before the Chamber for approval of the membership at the next monthly meeting on April 1.

## Non-Deferrable Job Reclassifications

With the War Manpower Commission's order designating certain activities and occupations as "non-deferrable" regardless of dependents effective April 1, the Bureau of Selective Service of the WMC will begin promptly to reclassify registrants in those categories, WMC Chairman Paul V. McNutt announced on March 31. Mr. McNutt emphasized, however, that this order affects only registrants of military age, and in no way changes the status of any registrant who is not in one or other of the activities and occupations that were specifically named in the WMC order issued on Feb. 2. He said:

"It is particularly desirable that there be no misunderstanding concerning the scope of this order. It is specific in defining the occupations and activities that are non-deferrable from military service regardless of dependency and only registrants in those categories are affected. If any registrant is in doubt as to whether or not he is included in its provisions, he should consult his Selective Service local board at once." The advice added:

"Under the WMC order, registrants in 35 specified occupations or engaged in any capacity in 19 manufacturing, eight wholesale and retail trades, and nine service activities were declared non-deferrable from military service. Such registrants were given until April 1, 1943, to find war jobs or to register with the United States Employment Service for war work.

"Registrants in these categories who have been unable to find war jobs by April 1, but who have registered with the USES for war work, will be given a 30-day period to make such transfer if they present evidence of such USES registration to their local boards. The 30-day period for transfer begins with the date when such evidence is presented to the local board.

"Instructions sent to local boards by Maj.-Gen. Lewis B. Hershey, Director of Selective Service, are that registrants in 'non-deferrable' activities are to be classified 'without consideration of their dependency status,' except that the following grounds may be accepted as reasonable excuses for temporary idleness or for being engaged in a 'non-deferrable' activity or occupation: (a) sickness of registrant or im-

mediate family of registrant; (b) physical disqualification; (c) reasonable vacation; (d) compelling circumstances that would not permit the change of employment without undue hardship to the registrant or his dependents.

"General Hershey emphasized also that all cases must be considered with common sense and that local boards and appeals agencies in considering the status of such registrants shall be governed by the general provisions of Selective Service Regulations as to procedure, notices, and appeals."

References to the "non-deferrable" job order were made in these columns of Feb. 4, page 489, and Feb. 11, page 579.

## To Control Egg Storage

Secretary of Agriculture Wickard issued an order on March 23 requiring all shell eggs held in cold storage on May 31 to be set aside for Government use at prices not in excess of OPA ceilings then in effect. The order provided also that no eggs may be stored after May 31 except for Government use.

This is learned from Associated Press accounts from Washington, March 23, which also stated: "Mr. Wickard announced, however, that the Government's Food Distribution Administration may allocate supplies of cold storage eggs for civilian use after May 31, should such action be necessary to assure a fair distribution among military, civilian and lend-lease requirements."

"Today's action was made necessary, Mr. Wickard said, because of a heavy movement of eggs into cold storage, resulting in short supplies for civilian use in some cities. The fact that ceiling prices for eggs next fall and winter are higher than present prices was said to be responsible for the increase in cold storage stocks."

## February Truck Freight Volume 12.8% Over 1942

Due chiefly to the fact there were fewer working days, the volume of freight transported by motor carriers in February showed a slight decrease of 0.2% under January, but held 12.8% over February, 1942, according to reports compiled and released on March 29 by the American Trucking Associations.

Comparable reports were received by ATA from 208 motor carriers in 42 States. The reporting carriers transported an aggregate of 1,371,984 tons in February, as against 1,374,282 tons in January, and 1,216,457 tons in February, 1942.

The ATA index figure, computed on the basis of the average monthly tonnage of the reporting carriers for the three-year period of 1938-1940 as representing 100, was 164.58. The January index was 168.10.

Almost 90% of all tonnage transported in the month was transported by carriers of general freight. The volume in this category showed a very slight decline of 0.03% under January, but held 13.5% over February of last year.

Transporters of petroleum products, accounting for a little more than 5% of the total tonnage reported, showed a decrease of 0.6% under January, but increased 35.9% over February, 1942.

Haulers of iron and steel products reported approximately 1½% of the total tonnage. The volume of these commodities increased 4.3% over February, but decreased 11.6% under February of last year.

Approximately 3½% of the total tonnage reported was miscellaneous commodities, including tobacco, milk, textile products, coke, bricks, building materials, cement and household goods. Tonnage in this class showed a decrease of 4.7% under January, and a decrease of 13.4% under February of last year.

## Hurley To Represent FDR In Near East

President Roosevelt announced on March 23 his acceptance of the resignation of Brig. Gen. Patrick J. Hurley as Minister to New Zealand and the appointment of General Hurley as his personal representative in the Near and Middle East war theatres.

General Hurley, who was Secretary of War under President Hoover, has been serving in the New Zealand post since April 1, 1942. He had been named Minister in January, but first undertook a special mission for the U. S. Army in the Southwest Pacific area; this was noted in our issue of April 30, page 1712.

The President's letter to General Hurley follows:

"The Acting Secretary of State has referred to me your letter of March 4 offering your resignation as Minister to New Zealand in order for you to accept the new duties which I have assigned to you.

"In accepting your resignation as Minister to New Zealand, I wish you to know how very much I appreciate all that you have done in furthering the very happy relationships that exist between our people and the people of New Zealand."

General Hurley's letter of resignation was addressed to Secretary Hull as follows:

"The duties which I am assuming today under the direction of the President will make it impossible for me to return as Minister to New Zealand, at least for a great period of time.

"Owing to these circumstances it is with regret that I hereby tender my resignation as Minister to New Zealand, to be effective at your pleasure. In my service as Minister I enjoyed the most complete and helpful cooperation of yourself and all of the officers of your department.

"On leaving this post I cannot refrain from expressing to you the deep sentiments of fellowship, kinship and unity of ideals that I experienced among the officials and the people of New Zealand. As a people and as a Dominion New Zealand has never committed a crime.

"That Dominion has the fairest history of any of the English-speaking nations and I think of any nation in the world. In the century of its existence New Zealand always has endeavored to apply the Golden Rule to the solution of its problems. The record of New Zealand is one to which the English-speaking people all over the world may justly point with pride."

## Less Fuel Oil For Power

The Offices of Price Administration, Petroleum Administration for War and WPB Office of War Utilities on March 20 announced a joint program for further reductions in use of fuel oil for electric power generation in the East Coast shortage area.

The program, which affects the 17 Eastern States and the District of Columbia, prohibits deliveries of oil for electric generation in cases where power produced at existing coal or hydro plants can be made available.

Officials stated that this action would save substantial quantities of industrial fuel oil by requiring conversion from fuel oil consuming facilities to facilities consuming other less critical fuels. While the program principally affects industrial concerns which generate their own electricity and small utilities which operate Diesel generating sets, it applies equally to all users of fuel oil for electric generation. The large utility systems in the Eastern shortage area already have eliminated most of their oil generation either by conversion of equipment to coal or through replacing their oil gener-

ation by interchanges of coal or hydro power from other utility systems under WPB coordination arrangements.

In the area covered by the order more than 900 industrial plants generate all or part of their electric power through the use of fuel oil. These plants have an installed capacity of over 900,000 kilowatts. In addition, 123 utilities in the same area have almost 700,000 kilowatts of plant capacity generating power through the use of fuel oil.

The OPA order in the form of Amendment No. 50 to Ration Order No. 11, specifically prohibits use of fuel oil after April 5, 1943, for the operation of electric power equipment having an aggregate capacity of 100 kilowatts or more.

A flexible rationing arrangement is provided when a consumer cannot switch entirely to use of an alternate source of power, but may do so partly. In these instances, it was stated, the fuel oil ration—which is issued on a three-months' basis—will be reduced to reflect partial use of other power. All consumers who switch partly or entirely to a new power source will be allowed minimum fuel oil ration for 10 days' full operation of their electric equipment in order to safeguard against any disruption of production due to emergencies.

The Petroleum Administration for War has in preparation a supplement to its Distribution Order No. 3 (Supplementary Order No. 1 to PDO—No. 3), which restricts deliveries of fuel oil for the generation of electricity unless the consumer certifies compliance with the new regulations of the Office of Price Administration.

The amendment became effective March 24.

## All Buses "Frozen"

Joseph B. Eastman, Director of the Office of Defense Transportation, in an order issued on March 17, froze in present service every vehicle carrying nine or more persons in local passenger transportation in the United States, its Territories and possessions.

The order applies to all buses, street cars, trolley coaches, trucks converted for passenger use, ferryboats and other vessels except combat equipment of the armed forces.

The order requires all Federal agencies, including the Army, Navy and Maritime Commission, and war contractors furnishing transportation for their employees, to file with the ODT an inventory of their passenger-carrying equipment. For equipment in continental United States, the inventories must be filed by May 15. For the territories and possessions, the date is June 15.

In addition, the order provides that local passenger equipment cannot be bought, leased, requisitioned or used by these agencies and contractors without ODT approval.

An immediate effect of the order, ODT officials said, will be to stop a developing "black market" in school buses which was threatening to deprive children of transportation between their homes and school.

There are approximately 93,000 school buses in the United States, it was stated. Reports received from 15 States indicate losses already of from 200 to 500 buses a State. School authorities, petitioning for a freeze of such equipment, had informed the ODT that a mass exodus of school buses was in prospect for the end of the present school year, when about 30,000 school-bus contracts will expire.

ODT officials pointed out that the freeze order does not prohibit the sale of equipment as long as it is continued, not only in the same service, but in the same job

it was performing at the time of the freeze.

The order permits an operator to take on additional service, such as using a school bus to transport war workers also, as long as he does not discontinue the service in which the equipment is frozen.

Simultaneously with the order, a general permit was issued by Mr. Eastman exempting the War, Navy, Interior and Treasury Departments from the inventory requirements of all boats not engaged in general passenger or home-to-work transportation. The exemption applies to such boats as those serving Ellis Island, lighthouse tenders and vessels in Coast Guard and customs service.

## 75th Anniversary Of Metropolitan Life Commemorated

"A Family of Thirty Million," embodying a history of the Metropolitan Life Insurance Company, has been written in celebration of the company's 75th year and was issued on the anniversary date, March 24. The history of the Metropolitan, according to the author, Dr. Louis I. Dublin, Third Vice-President and Statistician of the Company, "is particularly American, reflecting the national genius for enterprise, technical skill and good administration."

The book records the Metropolitan's entry into the field of Life insurance for the wage earner first through the Industrial Life business; its succeeding innovations in ordinary and group insurance; its introduction of special policies for persons who were formerly considered uninsurable; its progressive liberalizations of the policy contract; and its voluntary mutualization in 1915, which put the control of the Company into the hands of its policyholders. There is extensive discussion of its welfare program, its health literature distributed in millions of homes, its nursing service, its medical and statistical research, its housing ventures and farm rehabilitation work—all indicative of what can be done for the protection and service of its clients in the course of a business organization.

The book recites the social progress of a vast development following closely the development of the country and records the emergence of the small and struggling organization of 1863 into a great financial institution, whose 30,000,000 policyholders count its assets in terms of \$6,000,000,000.

Besides commemorating a milestone in the history of the institution, this book is singularly appropriate at this time when our national attention is being focused on various plans for social security. It has attempted an appraisal of what the policyholders of one mutual company have done through Life insurance to provide financial security for themselves and their families. Their individual efforts are typical of the American tradition. The American people have achieved Life insurance security to a greater extent than any other nation, and have achieved it through their own initiative and through institutions of their own making.

The history stresses the good fortune which the Metropolitan has enjoyed in its succession of great and enterprising leaders. Notable among these are the two executives who today direct the organization, Frederick H. Ecker, Chairman of the Board of Directors, has participated in six decades of the Company's extraordinary growth and has been active in every major undertaking in its history. Leroy A. Lincoln, President, joined the Company in 1918 and has participated in all of the newer developments which

have improved the standards of administration and have liberalized the contracts for policyholders. This year the Company celebrates these two anniversaries, the 60th and the 25th of its two leaders along with its own.

While "A Family of Thirty Million" is nominally a history of the Metropolitan Life Insurance Company, the volume also clarifies the operations of Life insurance in general; the volume giving a glimpse into the essentials of what Life insurance is and does.

The book is not for sale, but is intended to reach a wide public and will be distributed to libraries, the press, schools, colleges, banks, insurance and other business institutions and interested individuals throughout the country.

The 75th anniversary was marked by a dinner given on March 24, by the company at its home office, with addresses by Messrs. Ecker and Lincoln, broadcast over 154 stations.

## WMC Committee For Industry-Labor-Farm

Paul V. McNutt, Chairman of the War Manpower Commission, appointed on March 20 a new Management-Labor-Agriculture Committee of nine members to replace the former 17-member Management-Labor Policy Committee.

In Associated Press advices this action was reported as follows:

"The old Management-Labor Policy Committee recommended the appointment of a new and smaller committee. It said the old committee had been helpful in advising with the Manpower Commission during the past 10 months but that the "maximum force of full and complete cooperative effort of Government, labor, agriculture and industrial management has not yet been brought to bear on manpower problems."

"Three industry members of the old committee, Eric Johnson, President, U. S. Chamber of Commerce; Frederick Crawford, President of the National Association of Manufacturers, and R. Conrad Cooper, Vice-President, Wheeling Steel Corp., remain members of the new committee.

"Philip Murray and William Green, Presidents of the CIO and AFL, are members of the new committee and a representative of the railroad brotherhoods will be appointed. Labor members sat on the old group but Murray and Green were not members.

E. A. O'Neil, President, American Farm Bureau Federation, and James Patton, President, National Farmers Union, remain on the new committee, and A. S. Goss, Master of the National Grange, becomes a new member.

## Russia And Japan Extend Fishing Agreements

Japan and Russia have signed an agreement continuing Japanese fishing privileges in Soviet far western waters, it was announced on March 26, according to Associated Press London advices, which further said:

"A Moscow broadcast recorded here said, however, that Japanese fishing companies must pay between 4 and 5% more than during the last year. The payments are to be in gold, as before. Under the 1942 agreement, which ended on Dec. 31 the Russians had exacted a 20% increase in rentals over the price paid by the Japanese the previous year.

"Renewal of the Japanese-Soviet agreement generally is regarded as a gauge of relations between the two countries, which have a neutrality agreement despite the fact that Japan is allied with Germany and Russia is a member of the United Nations group."

## Propose Standardization To Conserve Paper

A drastic program of standardization to conserve paper supplies was recommended to the War Production Board on March 18 by representatives of the commercial printing industry. Associated Press advices reporting this, added:

"The recommendations, drafted by a committee of the United Typothetae of America, called for a reduction of about 66% in the number of weights, grades and sizes of paper stock which committee members estimated would result in a saving of 8 to 10% in paper consumption by printers.

"The proposals were presented to E. W. Palmer, Deputy Director of the Printing and Publishing Branch of the War Production Board.

"Thomas B. Sheridan of Baltimore, who presented the recommendations to Mr. Palmer, said the Committee had found 'no logical economic reason' for many of the paper sizes, grades and weights now in use by printers.

"It is our studied opinion that more paper can be produced with the same equipment and personnel, or the same amount of paper produced with considerably less equipment and personnel, if this Committee's recommendations are followed," he said.

## Work Draft "Inevitable"

Paul V. McNutt, War Manpower Commission head, declared on March 22 that a compulsory national service act was "inevitable," but that the timing was up to the President and Congress.

Mr. McNutt told a press conference that in the meantime the WMC will do its best to make the current "voluntary" system of manpower placement work.

Mr. McNutt had expressed opposition to the Austin-Wadsworth National Service Bill, on which the Senate Military Affairs Committee is now conducting hearings. He pointed out that legislation authorizing the Government to tell each man and woman what work to perform would be unprecedented, and added this comment:

"If a democracy can by a voluntary measure solve a problem which others have had to solve through compulsion, it is one of the greatest tributes to a democracy."

President Roosevelt has stated that he wished to avoid compulsory service legislation as long as possible, but the big question was that of timing; this was referred to in our issue of March 25, page 1109.

## Senate Confirms Land To Maritime Post

By a vote of 70 to 5, the Senate confirmed on March 30 President Roosevelt's nomination of Rear Admiral Emory S. Land, Chairman of the U. S. Maritime Commission, to a new six-year term from April 16, 1943. Voting against confirmation were five Republicans—Senators Aiken of Vermont, Holman of Oregon, Langer of North Dakota, Shipstead of Minnesota and Tobey of New Hampshire. Senator Aiken led the fight to postpone confirmation of Admiral Land until a thorough investigation could be made to determine if the Maritime Commission has been guilty of any alleged waste or mispending of Governmental funds. The President reappointed Admiral Land on March 16 but the Senate had several times passed over the nomination in view of Senator Aiken's charges of irregularity against the Commission.

Admiral Land, who has been Chairman of the Maritime Commission since February, 1938, has also served as head of the War Shipping Administration since its creation in February, 1942.

## Items About Banks, Trust Companies

(Continued from page 1307)

served the bank in various capacities since 1926;

Joseph A. Duddy, appointed Assistant Comptroller, also entered the bank's employ in 1926 and has served as Chief Examiner since 1938;

Ernest Calcaterra, appointed Chief Accountant, has been in charge of the accounting department of the bank since 1933, following the merger of the Italian Savings Bank, where he was head bookkeeper.

The Commercial National Bank & Trust Co. of New York reported as of March 31, 1943, total deposits of \$174,567,852 and total assets of \$195,699,149, compared respectively with \$187,640,873 and \$208,382,959 on Dec. 31, 1942. The bank on March 31 held cash on hand and due from banks of \$45,366,848 compared with \$50,365,892 on Dec. 31, 1942; investments in U. S. Government securities are now reported as \$120,537,405 compared with \$115,657,759 on Dec. 31, 1942, and loans and discounts now at \$25,740,785, compare with \$37,482,810 on Dec. 31, 1942. The bank's capital account is unchanged at \$7,000,000 and its surplus and undivided profit account has increased to \$9,581,004 from \$9,479,707 at Dec. 31, 1942, after payment of the regular dividend. Net earnings per share for the quarter were \$3.45.

The Continental Bank & Trust Co. of New York reported as of March 31, 1943, total deposits of \$98,332,767 and total assets of \$109,135,244, compared, respectively, with \$96,759,799 and \$107,222,793 on Dec. 31, 1942. Cash on hand and due from banks at the end of March amounted to \$27,235,163, against \$27,701,725; holdings of U. S. Government securities to \$40,370,799, compared with \$33,367,977, and loans and discounts to \$28,738,960, against \$31,390,318. Capital and surplus are unchanged at \$4,000,000 and \$3,000,000, respectively, and undivided profits are now \$1,851,969 against \$1,770,157 at the end of December.

The statement of condition of Sterling National Bank & Trust Co., New York, at March 31, 1943, shows total resources and deposits of \$68,287,342 and \$63,101,352, as compared with \$72,301,206 and \$67,090,997, respectively, as of Dec. 31, 1942. Of the March total deposits of \$63,101,352 U. S. Government deposits amounted to \$4,302,533, and commercial and other deposits were at the record high of \$58,798,819. Capital, surplus and undivided profits totaled \$4,331,947 against \$4,303,153 on Dec. 31, 1942. Cash and due from banks amounted to \$17,514,759 on March 31, 1943, against \$18,370,692 on Dec. 31, 1942; U. S. Government securities totaled \$28,743,668, compared with \$32,379,322; State, municipal and corporate securities \$1,411,314, against \$2,019,705; loans and discounts \$20,085,876, compared with \$18,935,384. Stock in Federal Reserve Bank remained the same, namely, \$120,000. Reserves totaled \$582,525, as compared with \$547,633 on Dec. 31, 1942.

J. Henry Schroder Banking Corp., New York, reports total resources of \$42,215,156 as of March 31, 1943, against \$48,701,207 on Dec. 31, 1942. Cash on hand and due from banks now at \$5,304,891, compared with \$6,958,181; U. S. Government securities in the latest statement are \$23,040,815, against \$27,053,924; customers' liability on acceptances (less anticipations) at \$4,903,057, compared with \$5,157,487 in December. Surplus and undivided profits stand at \$2,615,276, against \$2,607,781 in the previous quarter; amount due customers is shown as \$27,389,141,

against \$34,342,911. Acceptances outstanding are now \$6,455,445, against \$6,132,841.

Schroder Trust Co., New York, reported March 31 resources of \$29,145,549, compared with \$29,321,624 on Dec. 31, 1942. Cash and due from banks \$6,601,483, against \$6,303,063; U. S. Government securities \$16,581,530, compared with \$15,531,440; loans and discounts \$3,913,414, against \$4,332,208. Surplus and undivided profits are now shown as \$1,874,701 against \$1,871,377. Deposits are now \$25,531,852, compared with \$25,726,851.

Fulton Trust Co. of New York in its statement of conditions at March 31, 1943, showed total deposits of \$26,462,859 and total assets of \$31,672,887, as compared with deposits of \$30,804,814 and assets of \$36,032,384 on Dec. 31, 1942. Capital and surplus showed no change in total at \$4,000,000, but undivided profits increased to \$964,661, after dividend payable April 1, 1943, as compared with \$962,721 shown on Dec. 31. Cash, U. S. Government securities and demand loans secured by collateral amounted to \$27,075,616, against \$31,002,532 on Dec. 31, 1942. State and municipal bonds were \$820,053, as compared with \$1,067,677; time loans secured by collateral were \$973,784, compared with \$992,689 on Dec. 31, 1942.

The statement of condition of Manufacturers Trust Company of New York as of March 31, 1943, shows deposits of \$1,344,604,197 and resources of \$1,443,510,368, which compare with \$1,322,420,807 and \$1,419,495,474 shown on Dec. 31, 1942. On March 31, 1942, the respective figures were \$998,156,498 and \$1,094,006,798. Cash and due from banks is listed at \$375,714,378 as against \$370,862,493 shown on December 31 and \$357,441,582 shown a year ago. United States Government securities stands at \$676,984,890; three months ago it was \$635,564,410 and one year ago it was \$319,910,631. Loans, bills purchased and bankers' acceptances is now \$279,375,385, which compares with \$300,378,843 on December 31 and \$301,101,095 on March 31 last year.

Preferred stock is shown as \$8,307,640, common as \$32,998,440, and surplus and undivided profits as \$45,128,250. As a result of the redemption of 14,595 shares of its preferred stock on March 25, as required under its preferred stock indenture, capital account was reduced by \$291,900, representing the aggregate par value for such shares, and undivided profits account was reduced by approximately \$458,100, representing the amount in excess of the par value of the shares redeemed at \$51 per share, plus the accumulated dividend of 39 cents per share.

Net operating earnings for the three months ending March 31, 1943, after amortization, taxes, etc., as well as dividends on preferred stock was \$1,511,342, or 92 cents a share, which compares with 91 cents a share for the three months ending March 31, 1942. Of this amount \$824,959 was paid in dividends on the common stock and \$686,382 was credited to undivided profits.

The Manufacturers Trust Co., New York City, announced on March 30 that Henry W. Becker, Assistant Vice President, has been placed in charge of its Canal Street office. Mr. Becker has been connected with this branch for about 39 years.

Bankers Trust Company, New York City, was 40 years old on March 30 but due to wartime conditions no special anniversary ob-

servance was held. Starting in 1903 with a capital and surplus of \$1,500,000, the institution is today the eighth largest in the nation. Capital and surplus as of the close of 1942 was \$75,000,000, while total assets were approximately \$1,625,000,000 and deposits amounted to \$1,505,000,000. The bank was organized by the late Henry P. Davison as a trust company to which the National and State banks of the country might send their fiduciary business and which would not compete for active accounts on a basis of interest rates. It was to be in fact as well as in name a bankers' trust company. However, in 1917 changes in economic and financial conditions made it necessary for the institution to broaden its functions and enter the commercial field.

Business was started at 143 Liberty Street on March 30, 1903, with Edmund C. Converse serving as the institution's first President. Four months after the bank opened there were deposits of \$5,750,000 and it was necessary to move to larger quarters at 7 Wall Street. There the offices remained until 1912 when they were removed in May of that year to the new 37-story building with the pyramid-top at 16 Wall Street, its present location.

In August, 1911, the Bankers Trust Co. acquired by merger the Mercantile Trust Co. and seven months later took over the Manhattan Trust Co. These mergers and the capital increases incident thereto brought the combined capital and surplus to \$20,000,000 and deposits of over \$134,000,000 at the close of 1912. In April, 1917, the Astor Trust Co. was acquired by merger, increasing the capital and surplus to \$23,000,000; this was the last merger by Bankers Trust Co.

Mr. Converse was succeeded in the Presidency by Benjamin Strong, Jr., in January, 1914, and he, in turn, by Seward Prosser in October of that year. When Mr. Prosser was advanced to the newly-created office of Chairman of the Board in 1923, A. A. Tilney became the fourth President of the institution. In 1929 Henry J. Cochran became President of Bankers Trust and Mr. Tilney was made Vice-Chairman of the Board. Mr. Cochran was succeeded in the Presidency by S. Sloan Colt in June, 1931, when the former was made Vice-Chairman of the Board, succeeding Mr. Tilney, who became Chairman. Mr. Colt continues as President and chief executive officer of the trust company today.

The New York Trust Co., New York City, reported as of the close of business March 31, 1943, total assets of \$641,756,214 and total deposits of \$596,585,149, compared with assets of \$673,169,484 and deposits of \$628,777,301 on Dec. 31, 1942. Cash items amount to \$142,845,896, against \$172,140,077 three months ago; United States Government obligations (direct and guaranteed) to \$333,369,710, compared with \$326,995,937, and loans and discounts to \$135,094,626, against \$140,601,229. The bank's capital and surplus are unchanged from the close of 1942 at \$12,500,000 and \$25,000,000, respectively, while undivided profits now total \$4,786,418, compared with \$4,532,434 on Dec. 31, 1942.

Total assets and deposits of Brown Brothers Harriman & Co., private bankers, are shown at new high record levels in their financial statement as of March 31, 1943. Total assets amounted to \$166,477,869 compared with \$163,742,348 on Dec. 31, 1942, and with \$162,019,786 on March 31, 1942. Deposits increased to \$145,930,119 compared with \$143,636,578 on December 31, 1942, and \$137,462,686 on March 31, 1942. Capital and surplus of \$13,465,913 compared with \$13,445,284 three months ago and \$13,385,363 a year ago.

Loans and advances are now \$25,870,596 against \$25,874,629 on Dec. 31, 1942, and \$30,325,602 on March 31, 1942. Other important asset items compared as follows with the figures for three months ago and a year ago: Cash, \$41,989,284 against \$37,455,406 and \$40,651,166, respectively; United States Government Securities (valued at lower of cost or market), \$63,660,603 against \$67,329,281 and \$56,418,797; marketable bonds and stocks (valued at lower of cost or market), \$14,968,373 against \$13,078,218 and \$13,545,845.

The Corn Exchange Bank Trust Co., New York City, reported as of the close of business March 31, 1943, total deposits and other liabilities of \$514,044,920 and total resources of \$550,333,613, compared with \$532,798,687 and \$568,935,217, respectively, on Dec. 31, 1942. Cash in vaults and due from banks total \$141,522,676, against \$152,476,572; holdings of U. S. Government securities are reported at \$332,581,628, compared with \$324,312,363, and loans and discounts are \$30,467,331, against \$37,035,467 at the end of 1942. Capital and surplus are unchanged at \$15,000,000 each, while undivided profits now stand at \$6,288,693, as against \$6,136,530 on Dec. 31, 1942.

According to the March 31, 1943, statement of condition of the Public National Bank and Trust Co. of New York, total resources amounted to \$266,541,416 and deposits totaled \$243,970,435. This compares with resources of \$265,365,952 and deposits of \$243,398,918 at the end of 1942. Cash and due from banks in the current statement are given as \$59,687,267, against \$58,839,785 on Dec. 31, 1942; loans and discounts amount to \$66,311,040, compared with \$63,961,035, and U. S. Government obligations to \$128,556,513, against \$130,495,243. Capital and surplus are unchanged from three months ago at \$7,000,000 each, but undivided profits are listed at \$4,726,376, as compared with \$4,598,773 at the close of 1942.

Total assets of Clinton Trust Co., New York, increased to \$14,263,728 at March 31, 1943, from \$13,804,381 at Dec. 31, 1942, and \$11,632,227 on March 31, 1942, according to the bank's statement of condition at the end of the first quarter of 1943. Deposits on March 31, 1943, amounted to \$13,077,208, compared with deposits of \$12,634,000 on Dec. 31, 1942, and \$10,431,862 a year ago. Surplus and undivided profits of the bank totaled \$425,193 against \$417,350 three months ago and \$390,000 a year ago. Capital stock of Clinton Trust remains unchanged at \$600,000, while capital notes are now \$50,000 compared with the same amount on Dec. 31, 1942, and with \$75,000 on March 31, 1942. Loans and discounts are \$2,239,967 at March 31, 1943, compared with \$2,596,996 three months ago and \$3,128,095 a year ago. Other asset items compare as follows with the figures for three months ago and a year ago: Cash on hand and due from banks, \$3,473,645, against \$3,667,592 and \$3,266,506; investments in bonds \$8,036,240, against \$7,064,885 and \$4,687,824.

Thomas H. Wilson, for many years Vice-President and Secretary of the United States Trust Co. of New York, died on March 30 at the White Plains Hospital, White Plains, N. Y. He was 62 years old. Mr. Wilson started with the United States Trust Co. as an office boy in 1897. He became an authority on trust administration. He was appointed Assistant Secretary of the company in 1920, Vice-President in 1927 and Secretary in 1932. He also was a Director of the Columbia Casualty Co., the Commercial Union Fire Insurance Co. of New

York and Vice-President and Director of the South Wall Corp.

Spencer Scott Marsh, Chairman of the Board of The National Newark and Essex Banking Co., Newark, N. J., retired on April 4 because of age and ill health.

The Board of Directors of the institution have adopted resolutions commending Mr. Marsh for his more than 25 years' service as Cashier, Vice-President, Director and Chairman.

Mr. Marsh began his banking career at the age of 15 with the People's Bank of East Orange and 12 years later became Cashier of the North Ward National Bank of Newark.

In 1917 he joined the National Newark and Essex Banking Co. as Cashier; became Vice-President in 1920, Director in 1926 and Chairman of the Board in 1940. Mr. Marsh was one of the organizers of the Newark Clearing House Association and is a former President of the New Jersey Bankers Association. His election in 1940 as Chairman was reported in our issue of Oct. 26, 1940, page 2437.

The Philadelphia National Bank, Philadelphia, reports in its statement of condition as of March 31, 1943, total deposits of \$703,038,134 and total resources of \$759,239,931. This compares with deposits of \$678,427,431 and resources of \$733,168,806 on Dec. 31, 1942. In the current statement, cash and due from banks amounts to \$205,037,384, compared with \$213,194,415; holdings of U. S. Government securities to \$406,817,692, against \$375,279,847, and loans and discounts to \$84,197,020, compared with \$81,461,521. No change has been made in capital stock, which stands at \$14,000,000, but surplus and undivided profits have increased to \$34,146,968 from \$33,869,234 at the end of 1942.

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