

The Commercial and FINANCIAL CHRONICLE

Reg. U. S. Pat. Office

Volume 157 Number 4170

New York, N. Y., Thursday, April 22, 1943

Price 60 Cents a Copy

The Financial Situation

"Can Great Britain depend upon us?" Not for assistance in winning the war, for that issue appears not to have been raised by any one, but in maintaining the peace. This question is being asked repeatedly by a number of American citizens who have lately taken it upon themselves to show us the way in world politics. It is obvious that many of them have serious doubts of us, and some of them at least are even now lugubriously telling the American people that warranted doubts of the same sort in the minds of British statesmen are driving them "into the arms" of Russia. Thus, they warn, if Great Britain and Russia presently arrive at some definite understanding, particularly about the management of post-war Europe, which is not to our liking we shall have no one to blame but ourselves. So much, they say, our behavior after the last war, and the skepticism now existing in this country concerning perpetual peace are already threatening to do.

In Need of De-Bunking

This hue and cry is badly in need of "de-bunking." Can Great Britain depend upon us? One might ask with fully as much right: "Can we depend upon Great Britain?" Certainly we should not be wide the mark were we to ask: "Can we depend upon Russia?" By the same token Great Britain could ask: "Can we depend upon Russia?" And Russia may very well have been asking herself whether she can depend upon either Great Britain or the United States. Those who are forever asking whether Great Britain can depend upon us appear to be suffering from the delusion that the one and only stumbling-block in the path to eternal

(Continued on page 1499)

Clare Luce Asks Heavier Taxes On Rich; Sees Draft Of Women

Representative Clare Boothe Luce, speaking to her Fairfield County constituents on April 17, at Bridgeport, Conn., said that the National Administration is not yet waging a "hard war" and assailed the handling of the manpower situation and politics in Washington and said "There is no more important war bill than a total tax bill"; according to a special dispatch on April 17 from Bridgeport, Conn., to the New York "Times", which added:

To control inflation, she said, "we must bring out a tax bill adjusted not to people's wants but their actual needs; those who can afford it, the well-to-do and the rich, must be taxed almost to the constitutional point of confiscation."

At another point in her address Mrs. Luce declared that if it became necessary to draft labor, "I believe we must also devise a bill to draft all capital, profits and plants."

The new Representative, addressing a crowd of 1,200 at the Klein Memorial Auditorium here in her first formal speech in her home district since going to Congress, declared that "battle casualties are no index in themselves that we are fighting a hard war; they simply are proof that we are fighting a bloody one." Assailing "the incredible eight-



Clare B. Luce

een months' delay in the escort vessel, blimp and submarine program," and declaring that "our men and materials continue to get lost before they get to the battlefields," she asked, "Is not some one in authority fighting a lazy man's war, a stupid man's war, a soft war at the expense of our sons' lives and our nation?"

Mrs. Luce continued that while "the War Department has done on the whole a fine job and General Marshall is a great general, political pressures plus indecision in high places have badly botched the administration of the Selective Service Act by which General Marshall must raise his Army."

She predicted that nevertheless "we will get the Army we need," but whether the raising of an effective Army will leave effective manpower on the home front for industry and agriculture "is still a large question."

After 18 months of war, Mrs. Luce said, "the War Manpower Commission apparently does not know, nor does Mr. McNutt, exactly how many men are needed for what and where and how they may be procured or put to work short of actual conscription."

While "bitterly resenting the necessity" for the Austin-Wadsworth bill for the drafting of war labor, she said, she would vote for

(Continued on page 1503)

Morgenthau Drops Request For Extension Of Power To Devalue Dollar Further

Action Follows Senate's Ending of President's Power To Devalue

Secretary of the Treasury Morgenthau, in testifying before the House Committee on Coinage, Weights and Measures on April 19, urged only that a two-year extension of the \$2,000,000,000 Stabilization Fund be approved in view of the Senate action on April 16 refusing to continue the dollar devaluation powers of the President beyond June 30, when the present law expires.

On April 16 the Senate unanimously voted to continue for two years the \$2,000,000,000 Stabilization Fund but eliminated from the bill the President's authority to devalue the dollar.

Indorsement of the Senate action by the House was forecast on April 20, when the House Coinage Committee considered the measure as it was received in the Senate, and did not put back the dollar-devaluation powers stricken out by the Senate. In further reporting the action of the House Committee on April 20, special Washington advices to the New York "Times" said:

"After five amendments to the Senate bill, continuing the stabilization fund authority, had been offered by members at an executive meeting this morning, all with the purpose of prohibiting the Executive Department from relinquishing any of the \$2,000,000,000 for an international fund, such as that proposed by the Treasury in its current discussions with British technicians, Representative Somers, Chairman, put the matter up to the Treasury Department and obtained its approval for appending the proposed prohibition.

"Chairman Somers observed that the amendments offered today were 'a straw in the wind indicating that Americans will not accept any international bank.'

"The Treasury's position was that Secretary Morgenthau had stated repeatedly that if an international agreement was reached, and it became necessary to put up a United States contribution he would first

go to Congress for the appropriate authority.

"Chairman Somers said the most likely wording of the amendment which the committee would adopt tomorrow would be similar to that proposed by Rep-

resentative Reed of Illinois to the effect that the fund 'shall not be used in any manner whereby direct control and custody thereof passes from the President and the Secretary of the Treasury.'

"When Secretary Morgenthau discussed the Treasury's tentative international currency stabilization plan with reporters a few weeks ago, Harry White, his monetary adviser, said that a contribution by the United States of about \$2,000,000,000 toward the

(Continued on page 1500)

WMC Curbs Transfer Of Millions Of Workers In Essential Industries

Regulations restricting the transfer of an estimated 27,000,000 workers in 35 essential industries and on farms were issued on April 17 by Paul V. McNutt, Chairman of the War Manpower Commission. The regulations, approved by Economic Stabilization Director James F. Byrnes, are in accordance with President Roosevelt's "hold-the-line" anti-inflation order of April 8, in which Mr. McNutt was authorized to prohibit the transfer of workers for higher pay except as such transfers are in the interest of the war effort.

Mr. McNutt issued the following interpretative statement concerning the regulations:

"These regulations are a sincere attempt on my part to fulfill the intention of Section 3 of the Executive Order issued by the President on April 8. The intent of that section, as we have interpreted it, is to prohibit the transfer of workers for higher pay except as such transfers are in the interest of the war effort.

"For some time the War Manpower Commission has been promoting voluntary control over transfer of workers through what is known as employment stabilization plans. The basic purpose of these plans is to see that workers are placed in positions which will fully utilize their skills to the best interests of the war effort.

"These plans spell out those conditions of transfer which are in the interests of the war effort. In general they say specifically that workers cannot transfer from

(Continued on page 1501)

From Washington Ahead Of The News

By CARLISLE BARGERON

This correspondent watched a ship launching in a Pacific Coast shipyard the other day. Later, a little 17-year-old girl who had presented the flowers to the sponsor was introduced to the gathering. She was a ship fitter, it was explained, and that very day either Hershey or McNutt had announced that 40% of the men in the yard of draft age, would be taken for the armed forces before the first of

the year. So, according to the shipyard manager's speech, we were to come increasingly to depend on young women of this type for war production. So we should give her a hand. We did.

Then I got to prying around to find out just what this young lady, weighing less than 100 pounds, did as a ship fitter. Well, it seems that when a hoist lifts a big steel plate, weighing a ton or more and dangles it over the place it is to go, there is a crew to turn it this way and that, to fit it just right. Manifestly, the hoist carries the weight, the crew of 10 or 20 have little difficulty in shoving it around. This young woman is one of this 10 or 20 and for being that she receives a good \$30 a week. There are thousands and thousands of youngsters doing similar work and receiving similar pay all over the country.

It seems that her Daddy has a step-ladder family and within a range of four years she has two

sisters doing the same thing. They add \$180 a week to the family income. But Mr. Roosevelt is making a valiant fight, one of the most courageous and heroic a gullible populace has ever seen a man make, in all the annals of men, to prevent this girl's Daddy, or his counterpart, from getting an increase in wages of \$5 a week. This in order to prevent inflation. As I understand it, in fact, the problem of preventing inflation is even more simple. If we can just hold John L. Lewis in line we will prevent it.

One of the delightful things about a war is the orgy of insanity that goes with it.

Ever since the death of the scientist Freud, your correspondent has sought to carry on his probings into people's complexes, in a smaller way. Thus I am able to report Draft Director Hershey's

(Continued on page 1511)

GENERAL CONTENTS

<i>Editorials</i>	
Financial Situation.....	Page 1497
British Price Control.....	1498
<i>Special Articles</i>	
The Individual in a Corporate World *	
Post-War Investment Opportunities *	
*Start on first page of Section 1 of today's "Chronicle."	
<i>Regular Features</i>	
From Washington Ahead of the News.....	1497
Moody's Bond Prices and Yields.....	1504
(Continued on page 1512)	

Editorial—

British Price Control

By NORMAN CRUMP

[Editor's Note—This article is carried, as was a previous one by the author in our Feb. 25, 1943 issue, because of our belief that our readers would be interested in knowing how today's war economy has affected the citizens of Great Britain. In this article, the author refrains from mentioning the extent to which the control laws are violated or discussing the effect such laws may have in diminishing production. Mr. Crump is Editor of the London "Financial Times" and former Editor of the London "Sunday Times."]

One major consequence of the war is a shortage of consumers' goods in Britain. This shortage has been brought about deliberately as one of the necessary conditions of Britain's war mobilization. Millions of men and women are either serving in the armed forces or making munitions, instead of making, carrying and distributing all the necessities and luxuries of life. Food, raw materials and factory space have to be diverted to the war effort. It is, in fact, calculated that whereas before the war 80% of the national output went to meet civilian needs, today the proportion is less than 50%.

Unless something is done to stop it, a shortage of goods inevitably means a rise in prices. This would be doubly the case today when so many people are earning money on war work, but are not producing goods for themselves and their neighbors. Were such a rise in prices to take place without limit, it would mean that everyone with low incomes would be unable to buy what they needed. Without adequate food and clothing a man cannot work. Also, if this state of affairs had developed, there would be a general and very proper feeling that it was unfair. This would affect national morale and so would affect the war effort.

Hence the necessity for rationing and price control. Rationing insures equal shares for all. It applies now to all the basic foods (except bread) and to a number of other foods, to all clothing, and to soap. The rations are varied from time to time to conform with changes in the total supplies. By common consent the system has worked admirably. It is almost unknown for anyone to be unable to buy their ration, though people may not always be able to get the exact thing they want. As a result of rationing the British people are fed and clothed adequately—much better, in fact, than the people of the Axis countries. The best test is the popularity of the system, and the complete absence of all but minor complaints on points of detail.

Rationing, however, is not enough. Prices must be kept within reach even of the poorest, or they would not be able to afford the ration to which they are entitled. Also it would be intolerable for traders to make large profits out of the general shortage, even though the tax collector would ultimately lay hands on those profits. Therefore several acts of Parliament have been passed, controlling prices, and these are supplemented by defense regulations. The machinery of control is decentralized, working through regional and local price regulation committees. Black market operations can be punished by imprisonment up to 12 years' penal servitude.

The system of price control is practical, fair and extremely popular. It depends for its success upon the pressure of public opinion. There is no need for any Gestapo, secret police, or even an elaborate enforcement system. The enforcement is done by the public. Any citizen can complain to the local police, local food office, Citizens' Advice Bureau, or ultimately to the price regulation committee. These complaints are always carefully examined, and if necessary, action is taken against the shopkeeper either by caution or prosecution.

A point that does not apply everywhere in the world is the complete integrity of every public servant engaged in the administration of the system. From time to time one hears stories of bribery and corruption in Axis countries, and this is inevitable under a totalitarian system where there is no sharp division between the Party and the State.

Nothing of the kind happens in Britain, and no one believes that it could happen. The system is administered fairly and honestly, and if anyone were unwise enough to try to corrupt a public servant, he would quickly find himself in jail.

Prices are fixed by schedules issued by the authorities and amended from time to time. Margins are fixed, sufficient to cover costs and leave an adequate profit. One difficulty here is that as the volume of trade shrinks the costs necessarily increase. This is partly met, however, by the concentration of the industries concerned into fewer factories and distributors. Hardship involved to traders and manufacturers is borne cheerfully for the sake of winning the war.

For food, the position is simplified by the fact that the British Government is the direct buyer—whether of im-

ported or home-produced food. The Government, acting through the Ministry of Food, resells in bulk to the first wholesalers, who in turn pass the food into the normal channels of distribution. In a number of cases, Britain's Ministry of Food resells for less than it buys. This is the practical way in which Government subsidies are given to many foods, with the object of keeping down prices and the cost of living. The net cost of these subsidies is about \$500,000,000 a year. These subsidies are a necessary reinforcement to price control.

There has been little change in the official cost of living index number since early in 1941. This has exercised a stabilizing influence upon wage rates, for many wages vary with the official cost of living index according to a sliding scale. The cost of living is not quite 30% above its pre-war level.

Rationing, price control and subsidies are only some of the weapons employed to maintain economic stability in the face of the dwindling supply of consumers' goods. Although many people are earning more money than before the war, it does not follow that they can spend more—or even attempt to spend more. For one thing taxation, both direct and indirect, is much higher, and also, now falls on all incomes except the very smallest. The income tax on a single person earning \$800.00 a year, or not quite \$16.00 a week, is \$130.00 or \$2.50 a week (\$43.33 is repayable to the taxpayer, as "post-war credit" after the war). Then many people are subscribing regularly to National Savings Certificates, defense bonds, or other war loans. Many are accumulating deposits in the savings banks. From the beginning of the war to Dec. 21, 1942 "small savings" (which come mainly from workers and others with small incomes) totalled \$7,024,000,000, while the grand total of national savings of all kinds was \$18,852,000,000.

The latter figure must be interpreted with care. It includes war loan subscriptions from banks and other institutions, and this money would not normally be spent. The banks in fact habitually subscribe to war loans money already lent to the Government at short term. This is nothing more than a transfer from one form of loan to another. But the small savings figure of \$7,024,000,000 represents definite abstinence from spending. It amounts to \$150.00 per head of population—men, women and children; or alternatively about \$300.00 for each person in active employment. Many of these people have also subscribed to the larger war loans, which are not classified under small savings.

Thus while the money income of the nation has increased, taxation and savings have checked a simultaneous increase in net spending power. This limitation of spending power is the complement to rationing and to the general shrinkage in the supply of goods. Both are needed if price control is to be made effective and freed from risk of abuse. Both are operating today.

Thus price control falls into its proper place as one of the means of maintaining economic and social stability in spite of an unparalleled war effort and severe contraction of the supply of consumers' goods. But in the last analysis the whole system owes its success to one thing. This is the realization by the British public that the system is honestly and efficiently administered in such a way as to establish fair play and adequate supplies for all at prices which the public can afford to pay.

The State Of Trade

The heavy industries generally continued to report high levels of operation the past week. Exceptional reports were received from the retail trade in most parts of the country. An upsurge in pre-Easter buying carried apparel sales to the highest level of 1943 during last week, with retail volume for the country as a whole estimated at 14 to 19% above last year, according to the weekly review of Dun & Bradstreet, Inc.

An outstanding event of the week, says the review, was the extension of control over the cost of living by the authorization of Office of Price Administration regional offices to place ceiling prices on restaurant foods.

Regional percentage increases in retail trade for the week were 12 to 15% for New England; the East, 14 to 17%; Midwest, 12 to 13%; South, 15 to 22%; Southwest, 23 to 27%; Pacific Coast, 19 to 25%, and Northwest, 5 to 9%, the latter small gains being attributed to snow, sleet and rainstorms.

In connection with the heavy industries, most reports were favorable for the week. Steel buying was reported as less active than a month ago, while other trade quarters indicated that repairs to furnaces were responsible

for a slight drop in ingot production last week.

Steel operations this week, meanwhile, are scheduled at 99.1%, compared with 98.8% in the previous week, says American Iron & Steel Institute. The current schedule is equivalent to production of 1,716,100 net tons of ingots and castings against 1,710,900 in the preceding week.

The magazine "Steel" stated that the lull in buying is interpreted as a breathing period between quarters as well as an indication of further efforts by consumers to pare down excess stocks before the effective date of the Controlled Materials Plan.

The trade journal stated, however, that third-quarter buying is increasing and in some cases allotment numbers for plain carbon steel have been received for November shipment. In the case of specially treated alloyed steels, CMP orders have been issued for still later delivery.

The electric power industry continues to show gains substantially above last year. Electric output for the country during the week ended April 10 aggregated 3,882,467,000 kwh., an increase of 16.9% over the total of 3,320,858,000 kwh. in the like 1942 week, according to the Edison Electric Institute. The total for the preceding week was 3,889,858,000 kwh.

Consolidated Edison Co. of New York announced that system output for the week ended April 11 amounted to 173,400,000 kwh., compared with 147,100,000 in the like 1942 week, an increase of 17.8%.

Carloadings for the week ended April 10 totaled 789,018 cars, according to reports filed with the Association of American Railroads. This was an increase of 16,885 cars of revenue freight over the preceding week this year; 25,078 cars fewer than the corresponding week in 1942 and 109,210 cars above the same period two years ago.

This total was 126.21% of average loadings for the corresponding week of the 10 preceding years.

Department store sales on a country-wide basis were up 28% for the week ending April 10, compared with the like week a year ago, according to the weekly figures of the Federal Reserve Board.

Department store sales in New York City in the week ended April 17 were 11% above those of the corresponding week of 1942, according to a preliminary estimate issued by the New York Federal Reserve Bank. In the previous week, ended April 10, the sales of this group gained 17% over the comparable week of a year ago.

Sales of New York City apparel stores in the week were 25% better than in the like week last year, and in the four-week period were up 6% over those of the comparable period a year ago.

It is reported that small business firms are now getting war contracts at the rate of better than 300 a week under the guidance of the Smaller War Plants Corp.

Reorganized several months ago, placed under Col. Robert Johnson and divorced almost entirely from the WPB, the Smaller War Plants Corp. is branching out into new fields of activity.

Since its organization it has secured prime contracts totaling 2,565 for small businesses, plus 3,331 subcontracts. Dollar value of the primes was \$481,700,000 and of the subcontracts \$180,400,000.

During the last two months the tempo of contracts for small business has been stepping up. In one week, ending April 9, the corporation helped small firms get 188 prime contracts amounting to \$27,100,000 and 140 subcontracts for \$8,000,000. The week before there had been 166 primes amounting to \$34,100,000, and 150 subcontracts for \$8,200,000.

FIC Banks Place Debs.

An offering of \$41,365,000 consolidated debentures of the Federal Intermediate Credit Banks was made April 19, at par, by Charles R. Dunn, New York, fiscal agent for the banks. The offering consisted of two issues, viz.: \$19,255,000 0.75%, due Nov. 1, 1943, and \$22,110,000 0.85%, due Feb. 1, 1944. Both issues are dated May 1, 1944. Of the proceeds from the sale of the debentures, \$34,505,000 will be used to pay off a like amount of maturing issues due May 1, 1943, and the balance is for new capital purposes. At the close of business May 1, 1943, the banks will have a total of \$288,530,000 debentures outstanding.

The Financial Situation

(Continued from first page)

peace and a general world millenium is our tendency to revert to what they call "isolationism." They never tire of talking about us taking our dutiful part in world affairs, and in almost everything they say it would appear that they suppose that once we resolve unshakeably to take that part all will be well.

Such an idea, of course, is utter rubbish. Can Great Britain depend on us—for what? Can we depend upon Great Britain—for what? Can Russia depend upon us—for what? Can Russia depend upon Great Britain—for what? Can Great Britain depend upon Russia—for what? Can we depend upon Russia—for what? Ah! There's the rub. Mr. Stalin probably knows as nearly as circumstances permit precisely what he will want after the fighting has ceased. We can probably depend upon him to take what he wants in large part—assuming that he has meanwhile smashed the Nazi war machine with or without more help from Great Britain and the United States than he has been getting. So far as any ideas or plans Great Britain or we may have do not conflict with any of his, both probably could depend upon Russia.

Great Britain does not yet appear to have fully formulated her post-war ideas, which is natural enough since her interests are world-wide, and her difficulties for one reason or another in foreseeing the situation in which the war will leave the Empire interests are greater. But she is coming to grips with post-war plans, and by the time the fighting has ceased she probably will know rather well what she wants. She probably will not be so blunt and obvious as Mr. Stalin, but she has her own ways of going about her affairs. If our ideas fit well with hers, and particularly if they supplement and strengthen her world position, we shall have little trouble in obtaining and keeping her support. We can be quite certain that she has already been thinking long and hard about that question of our dependability—but not in the way our world reformers have in mind, or certainly not altogether in that way. And as to Russia? Well, Mr. Stalin need not worry about British support so long as his plans and his ideas mesh well with those of the British.

Can They Depend Upon Us?

Can the both of them depend upon us? That, we should hope, will depend very largely upon what they want of us. So far as may be learned from official utterances or from popular clamor in this country we are today much further from knowing precisely what we want in the international scene after this war than either Russia or Great Britain—and that despite the "leadership" in post-war talking that the President of the United States and his followers have "assumed." The danger to which we are exposed is the lack of any semblance of realism in our official post-war ideas, and it is precisely that, we suspect, which most troubles the minds of Messrs. Stalin and Churchill.

Britain's Difficulties

Great Britain, more than Russia, will need our support after the war, and need it badly, but Great Britain is also vitally concerned with what happens on the Continent of Europe where the only great power left—assuming Germany is crushed—will be Russia. The British will unquestionably be in an uncomfortable position with the coldly realistic Mr. Stalin on one side and the equally unrealistic United States of America on the other. It is amply evident that the world-wise leaders of Britain have long understood this situation. What they would like to do, doubtless, so far as Europe is concerned, is to reach an understanding with Russia about things European, and have us endorse the arrangement and share in the costs of its enforcement. Elsewhere she will naturally wish to have us keep our nose out of Empire affairs, first of all, and then to come to some understanding about the rest of the world which would accord with British interests and have us underwrite it.

A Financial Santa Claus

Can Great Britain depend upon the United States on this basis? We should hope not. But our vague and grandiose oratory has led some Britishers to hope that she can count on us for more. The British themselves expect to be very short of cash after this war is over, and even shorter of foreign exchange. They are already expressing the hope that we shall finance world developments in such manner that they can supply a substantial part of the goods necessary thereto. Without question we shall be expected in some quarters at least to play financial Santa Claus to many parts of the world, some of them within the British Empire. Can the British depend upon us to be both "good" and generous so far as their interests are concerned? That is a

question some of our dreamers around the country would do well to ponder.

It is clear enough when the situation is closely examined that the future peace and the fate of the world depend upon a great deal other than our decision as to whether we want to be "isolationist" or "internationalist" after the war is won. Whether we like it or not, this is a real world in which we all live. It is inhabited by many peoples widely differing among themselves concerning many things, each nation with its own fish to fry. It is a complicated world, too. There are many wheels within wheels in world politics—and world politics will continue no matter whether we wish it or not. What our policy should be is not nearly so simple as some of our more simple commentators seem to suppose. There are many conceptions of "isolationism" and many of "internationalism."

One would suppose that these elementary facts would never again be forgotten by the people of the United States after Mr. Wilson's experience at Versailles. Such, however, does not appear to be the fact. The truth instead seems to be that a great many of us—and some of those who should be the last to forget—have through the years come to the strange conclusion that it was the United States which deserted its professed ideals after the last war, and, withdrawing into its shell, assumed responsibility for the present war.

"Slogan" Thinking

"In spite of nation-wide discussion on plans for the future, or perhaps because of it, there are evident at least two unfortunate trends.

"On the one hand there is the traditional and dangerous tendency to attempt to get rid of fundamental difficulties by the acceptance of easy slogans based upon superficial thinking and an inadequate knowledge of facts. On the other hand, the recognition of the complexity of political and economic relationships and their impermanence in the world of science may lead to more and more confusion. Under the conditions of today international relations can in no way be thought of as a thing apart from the domestic life of each of the nations concerned."—James T. Shotwell.

It sometimes seems to us that the world was never before so beset—or so endangered—by "slogan thinking."

"Recognition of the complexity of political and economic relationships" may lead to "confusion," but we doubt whether that "confusion" is nearly so hazardous as refusal to recognize the complexity of human relationships, a refusal now so common in high places. Such recognition would render a number of our politicians much less vocal.



James T. Shotwell

Crude Oil Price Rise Recommended By Ickes

Petroleum Administrator for War Harold L. Ickes, in testifying before the House Small Business Committee on April 16, said he had recommended a general increase averaging 35 cents a barrel in the price of crude oil, according to the Associated Press dispatches from Washington, which further stated in part as follows:

This recommendation was sent to the Office of Price Administration on

April 7, but Sumner Pike, Director of OPA's Fuel Oil Price Division, testified that after its receipt he told Prentiss M. Brown, Price Administrator, that he thought it was "a pretty bad time" for such an increase. Mr. Ickes stated that he had not yet received an answer to his letter.

Mr. Brown also appeared before the Committee, but did not testify on Mr. Ickes' recommendation. He did, however, tell the Committee that it was the "obligation" of his agency to increase the price of crude oil if such action was necessary for successful prosecution of the war.

Mr. Pike added that considerations given for the increases in

Mr. Ickes' letter were to keep stripper wells in production, spur secondary recovery and possible drilling on marginal locations, and encourage wild-cats.

Wright Patman (Dem., Tex.), Chairman of the Committee, remarked that previous numerous witnesses at the hearing have testified that one or two years would elapse, even after any price increase is allowed, before its effects would be noted in an upward trend in discoveries of new wells. The Chairman then asked Mr. Brown whether the OPA had considered that fact in deliberating whether to increase the crude oil price structure. Mr. Brown replied that this particular angle had not been studied but that it would be taken into consideration.

E. E. Placek Denies Country Bank Rates Are Too High

E. E. Placek, President of the Country Bank Division of The Independent Bankers Association, sent a letter on April 10 from Wahoo, Nebraska, to the members of Congress, taking exception to the governmental loaning agencies charge that interest rates demanded by country banks are too high. The letter follows:

To the Members of the Congress: Governmental loaning agencies make the charge that interest rates demanded by country banks are too high, and therefore it is necessary for such agencies to finance the farmers. The best proof that such charges are false



Harold Ickes

Republicans Prepared For 1944, Says Landon

At a press conference at Columbus, Ohio, on April 17, Alfred M. Landon said that "the Republican Party was in better shape for the



Alf M. Landon

1944 campaign than it has ever been," said an Associated Press dispatch from Columbus, Ohio, on April 17, which also had the following to say: After a meeting with Governor Thomas E. Dewey of New York yesterday Mr. Landon stopped off here for a chat with Governor John W. Bricker of Ohio. Both Governors have been mentioned as possibilities for the 1944 Republican nomination, and in answer to questions regarding them, Mr. Landon said:

"I believe Governor Dewey was serious when he said he planned to serve his full four-year term as Governor of New York. About Mr. Bricker, well, the people of the United States do not think the people of Ohio are dumb. And Mr. Bricker's three-time election as Governor by the people of Ohio is taken all over the country as a good endorsement of his ability as an executive."

Asked about the possibility of a fourth-term attempt by President Roosevelt, Mr. Landon said:

"It is obvious the President will never leave the White House voluntarily, and that is not a wholesome situation."

Mr. Landon offered a "why not?" to a question whether he believed Mr. Roosevelt would be a candidate in 1948; should he be elected to a fourth term in 1944.

Associated Press advices from Washington on April 19 said that Frank Comfort, Democratic National Committeeman from Iowa, was saying that President Roosevelt has told friends he will not under any circumstances consider a fourth term. The same advice also said:

There was no comment from the White House.

Mr. Comfort told reporters that he understood this to be the case, adding that it appeared there "might be some fellows trying to push him" (Mr. Roosevelt) into the 1944 race against his wishes.

"As far as I am concerned," Mr. Comfort said, "I think that if the war is still going on the President is the logical man to keep in office."

Mr. Comfort said that while in Washington he hoped to get the Democratic National Chairman, Frank C. Walker, and the Republican National Chairman, Harrison E. Spangler, to agree to "a short 1944 campaign."

is proven by their own published statements.

The annual reports of the 530 Production Credit Associations for the year 1941 show that 43% operated at a loss and the deficit was made up by a Government subsidy. If the PCAs were compelled to pay real and personal taxes, capital stock tax, income tax, examination fees and Federal Deposit Insurance assessments and support local activities, approximately 80% would operate at a loss. If country banks were relieved of all taxes and assessments and free capital was furnished them, they could reduce their interest rates to farmers by 2% to 3%.

I challenge a denial of the above facts and figures.

What is Congress going to do about it?

Morgenthau Drops Request For Extension Of Power To Devalue Dollar Further

(Continued from first page)

proposed \$5,000,000,000 international stabilization fund had been considered adequate.

"The five amendments offered by committee members were worded differently, but all had about the same effect. Representative Andresen offered three and Representatives Compton, White and Reed one each."

The devaluation power has been in Mr. Roosevelt's possession for over nine years and was exercised only once—that was on Jan. 31, 1934, when the President cut the gold content of the dollar to about 59 cents, in terms of the old dollar. The present authority is scheduled to expire on June 30.

Mr. Morgenthau, in his testimony on April 19, told the House Committee that he believed a two-year extension of the power to devalue the dollar would be helpful but did not request its extension.

In response to questioning (April 19) Secretary Morgenthau said that while the Treasury would not ask for repeal of the Thomas amendment to issue \$3,000,000,000 in "greenbacks" if Congress saw fit to take the initiative in such repeal the Treasury would have no objection.

Associated Press Washington advices of April 19 also reported: Representative Andresen of Minnesota asked Mr. Morgenthau whether there was any indication that the Treasury might take steps to devalue the dollar further before the authority expires June 30.

"I feel certain," he replied, "that no further devaluation will be undertaken before June 30, unless I first come before the proper committees of Congress to consult with them before doing so."

Mr. Andresen asked whether there was any other authority whereby the Treasury might devalue the dollar. Mr. Morgenthau replied that under the Gold Reserve Act of 1870, reaffirmed in 1934, "something similar but not quite the same" could be achieved by changing the price of gold.

"However," the Secretary emphasized, "I have nothing in mind at present to cause me to recommend to the President that he change the price of gold."

Before the Senate Banking and Currency Committee on April 16 Mr. Morgenthau, according to the Associated Press, had urged continuation of the Presidential powers to devalue the dollar, contending that "we must frankly face the danger of competitive currency depreciation in the post-war period." On that date (April 16) the Press advices added:

He said that while it is not possible now to foresee the pattern of post-war monetary developments, "this we do know: that if we are to avoid competitive depreciation of currency after the war, it would be helpful to be armed with this power as a warning that we shall not permit the international economic position of this country to be undermined by competitive currency depreciation."

Senate passage of the Stabilization Fund powers on April 16 came after, it is stated, an understanding was reached that the Treasury would not renew its request for the devaluation section.

Senator Wagner (Dem., N. Y.), Chairman of the Banking and Currency Committee, expressed it as his belief in the Senate on April 16 that the devaluation proposal will not again be brought up at this session of Congress.

The committee had on April 16 reported the bill to the Senate continuing the powers relating to the stabilization fund after eliminating the proposal to continue the present power to devalue the dollar.

Secretary Morgenthau, in ap-

pearing before the Banking Committee on April 16 to urge a two-year extension for both the stabilization power and the devaluation clause, contended that the devaluation provision was needed as a defensive weapon to combat any devaluation operation of a foreign nation.

Reporting on the Secretary's position and the opposition encountered Associated Press Washington advices of April 16 said:

Secretary Morgenthau, a witness in favor of the two-year extension bill, told the Committee the devaluation section was not a life and death matter but stuck to his contention that it would be a helpful defensive weapon in the event other countries started currency devaluation operations.

Opposition to the devaluation proposal had been voiced before the committee by Senator Taft (R., Ohio), who asserted:

"We're asking the American people to buy \$13,000,000,000 in War Bonds this month, yet at the same time you're asking us to give the President power to devalue the dollar and thus depreciate the value of the bonds."

Previously Mr. Morgenthau had told the committee that the United States has sold more gold to foreign countries in the last two years than it has purchased.

He said the stabilization fund had accumulated a net profit which now exceeds \$30,000,000. During the 1942 fiscal year, he added, the fund sold \$644,000,000 in gold to foreign countries and purchased \$162,000,000. Thus far in the fiscal year 1943, the fund has sold \$401,000,000 in gold and purchased only \$27,000,000.

The fund's gold sales, he said, have been made to 21 different countries, adding:

"I know of no better means of settling international balances than with gold."

"For this reason it has been and is the policy of the Treasury to facilitate the continued use of gold for the settlement of international balances. Our stabilization fund definitely contributed to the implementing of this policy."

During the past two years, the Secretary said, the United States has completed three gold purchase agreements with Russia calling for future delivery of gold purchased by the stabilization fund, with an advance on such gold prior to its delivery.

"The obligations of Russia under these agreements have been fully met," he said.

"The dollars made available by these gold transactions were used by Russia to pay for purchases of goods and services in the United States in addition to the materials obtained under the terms of the lend-lease arrangement."

Urging extension of the stabilization fund operations, the Secretary said, the monetary situation throughout the world is potentially more unstable than it has ever been before.

Continuance of the fund, he asserted, will help assure currency stability and help avoid competitive currency depreciation in the critical period following the war.

For the same reason Mr. Morgenthau added, the President's power to alter the gold content of the dollar also should be continued another two years.

"We are all agreed that no one can benefit from a competitive race in the depreciation of currencies," he said. "If such a development is to be avoided, we must frankly face the danger of competitive currency depreciation in the post-war period. It is not possible at this time to foresee the pattern of post-war monetary developments. But this we do know: that if we are to avoid competitive depreciation of

currency after the war it would be helpful to be armed with this power as a warning that we shall not permit the international economic position of this country to be undermined by competitive currency depreciation."

Senator Taft's opposition to the devaluation power was voiced as Congress divided sharply on Mr. Morgenthau's plan for a post-war international currency.

Senator Taft (Rep., Ohio), was the leader of the opposition within the committee to separate the devaluation issue from the bill to extend the stabilization fund until 1945.

From the Associated Press we quote:

"Committee members said five Democrats and eight Republicans on the 20-member committee favored amputation of the devaluation provision."

"Confronted by Republican opposition to renewal, Secretary Morgenthau told the committee today 'it would be helpful' to continue the power, 'but it isn't a matter of life and death.' The President has held the power in high trust, Mr. Morgenthau observed, using it only once 'in the midst of a deep depression.' That was on Jan. 31, 1934, when Mr. Roosevelt reduced the gold content to 59 cents, in terms of the old dollar; under present law he has authority to cut it 9 cents more."

Senator Taft was also quoted as declaring that the Constitution gave Congress, not the President, the right to regulate money. Advices (Associated Press) on April 16, said:

An informal canvass of House members brought sharply conflicting opinions on the Treasury Secretary's plan for an international stabilization pool.

Representative Steagall (D., Ala.), chairman of the Banking and Currency Committee, said "I see in this plan possibilities for great good, both to us and the world, but it must be studied."

Another note of approval came from Representative Dewey (R., Ill.), for four years Assistant Secretary of the Treasury, who said, "In principle I agree, but this is only a part of the whole subject of post-war problems. I want to see a practical approach made to the entire subject."

Representative Somers (D., N. Y.), did not believe the Morgenthau plan as written, which would utilize gold, would be acceptable to other nations. The British plan, as brought out by John Maynard Keynes, adviser to the British Exchequer, was assailed by Mr. Somers as "definitely a fallacious and fatal delusion."

"If you ask me," he added, "what they are saying to us is, 'with your money and our brains we will go places.'"

Republicans Revive Money Powers Study

Representative Joseph W. Martin Jr., of Massachusetts, the minority leader, announced on April 18 that he has revived the Republican Study Committee on Extraordinary Monetary Powers for the purpose of analyzing the Treasury's post-war monetary stabilization proposals. Mr. Martin's statement follows:

"The whole question of monetary stabilization as it may affect the various countries of the world, their relations with the United States and each other is so broad, so intricate, and of such vital importance to the post-war world that any plan proposed ought to be, and must be, thoroughly analyzed by the Congress. I believe this committee can perform a notable service in so doing."

"I cannot help but feel that in view of the tremendously grave questions involved, with literally the peaceful relationships of various nations in the post-war era bound up in the economic prob-

lems which will beset efforts at world monetary stabilization, we must give the most serious study to these problems now."

"To that end, I have revived the Republican Study Committee on Extraordinary Monetary Powers of the President and have named Representative Jesse P. Wolcott, ranking minority member of the House Banking and Currency Committee, as Chairman. Mr. Wolcott was also Chairman of the original committee. The new committee will be composed chiefly of members of the committees on Banking and Currency and Coinage Weights and Measures. These committees ordinarily handle monetary legislation."

"The committee will divide itself into subcommittees, and will avail itself of every avenue of helpful information and research."

"The members who will work with Chairman Wolcott are:

"Charles L. Gifford, Massachusetts; Fred L. Crawford, Michigan; Ralph A. Gamble, New York; Robert W. Kean, New Jersey; Jessie Sumner, Illinois; Frederick C. Smith, Ohio; Thomas Rolph, California; Henry O. Talle, Iowa; B. J. Monkiewicz, Connecticut; Chauncey W. Reed, Illinois; August H. Andresen, Minnesota; Hugh D. Scott Jr., Pennsylvania; Richard P. Gale, Minnesota; William H. Stevenson, Wisconsin; Joseph Clark Baldwin, New York; Ranulf Compton, Connecticut; Frank L. Sundstrom, New Jersey; Homer A. Ramey, Ohio; Jay Lefevre, New York; Edward H. Rees, Kansas; Robert F. Rockwell, Colorado; William C. Cole, Missouri."

New Deal Is Stifling Press Of Nation, Says Harrison Spangler

Harrison E. Spangler, Chairman of the Republican National Committee, concluding a "sounding board" trip through New England last Friday,

addressed a gathering of Republican leaders including four New England Governors. Mr. Spangler said that the New Deal is trying to "stifle America's free press," according to a United Press dispatch from Boston, on April 16, which also said:

Mr. Spangler said a typical example of the New Deal's efforts to "keep the people uninformed or misinformed" is the attempted exclusion of the press from the refugee and food conferences soon to be held at Bermuda and Warm Springs, Ga.

"The conferences should be spread across every newspaper page in America."

The Administration is "seeking to regulate every activity of every citizen in the nation."

The motion picture industry, radio and now the newspapers are being subjected to a severe and unnecessary censorship, he said.

He termed the New Deal a "false and reactionary philosophy based on Middle Ages theories of centralized government," and called on Republicans and Americans not to allow America to be destroyed at home while "our boys save it abroad."

Hasler Calls Renewal Of Trade Agreements Act Vital To Peace Hopes

Failure to renew the Reciprocal Trade Agreements Act would be a repudiation of the promises and pledges of the United States that there shall be freedom for international trade among all nations when the war ends and the peace is written, according to Frederick E. Hasler, President of the Chamber of Commerce of the State of New York.

In an address at a recent luncheon meeting earlier this month of the Foreign Policy Association in New York City, Mr. Hasler, who is also President of the Pan American Society and Chairman and President of the Continental Bank & Trust Co. of New York, said that "if we fail to extend the act, we inform the world in so many words that we are indifferent to international economic cooperation and that we prefer to follow the selfish policy of isolation of the past even at the risk of bringing on another worldwide depression and inviting a third World War."

Mr. Hasler further stated: "The program has demonstrated its value both in time of peace and time of war and there is every reason to believe that it will be of even greater importance in the post-war period. In its present or in an extended form, the program may well serve as a basis for a sound and prompt solution of the most urgent problems growing out of trade barriers and discriminatory treatment, which will face international trade in the post-war period."

Mr. Hasler added: "When we entered this war, Government control over the national economy was much more extended than it had ever been when we became engaged in other wars. For almost ten years our system of free enterprise had been under governmental attack. Radical thinkers in and out of Government agencies in Washington had attempted to discredit the free enterprise system at every opportunity. The faith of the people in the system which their forefathers established and which had made America the world's richest and greatest industrial nation was slowly but surely being poisoned up to the time of Pearl Harbor."

"What happened since then has written one of the most glorious pages in the history of the free enterprise system. Private industry has done a job in making the United States the 'arsenal of democracy' which amazed the whole world and dumbfounded our enemies. The faith of the American people in the private enterprise system has not only been restored, but strengthened."

Private industry—the American system of free enterprise—can do just as good a job in the post-war period for our civilian economy as it now is doing to win the war, if given the opportunity, encouragement and financial cooperation by the Government, provided that the highways of two-way trade and commerce with other nations of the world are freed of the obstacles which retard the exportation of our surplus production and the importation of raw materials and other needed goods and products for which we can make new markets here. Reciprocal Trade Agreements provide the best solution of the latter problem which has been found so far."



Harrison E. Spangler

WMC Restricts Transfer Of 27 Million Workers In Essential Industries

(Continued from first page)

one essential activity to another except with statements of availability issued either by the employer or the local War Manpower authorities.

"It is therefore natural that I should look to these stabilization plans as the means for determining that transfers involving differences in pay are in the interest of the war effort.

"There are now in operation over 60 of these stabilization plans, and they are increasing in number each week. At this moment several are in the process of development. They are all in areas where the labor shortages are critical.

"Paragraph 904.1 deals with the movement of workers from other than essential activities into essential activities. You will notice this movement is permitted without regard to wages, as it is at present. The reasons for the 30-day period is to prevent workers from leaving an essential activity, working in another than essential activity for two or three days and then moving from there back into some essential activity at a higher wage. The reason we are not restricting this movement into essential activity is because such movement is in the interest of the war effort and should be encouraged.

"Paragraph 904.2 deals with workers transferring from essential activities into other than essential activity. This not in the interest of the war effort, therefore no such transfers are permitted at an increase in pay. It should be indicated that while such transfers are not desirable, they are not prohibited at equal pay.

"Paragraph 904.3 deals with movement between essential activities. Such movement is not permitted when an increase in pay is involved, except as provided in 904.4. This movement between essential activities for no other reason than to receive higher pay is one of the most serious and wasteful forms of labor turnover now prevalent.

"Paragraph 904.4 is also concerned with movement of workers from one essential activity to another. It permits transfers at higher pay when such transfers are in the interest of the war effort, provided they are made in accordance with the provisions of the local employment stabilization plans.

"You will notice in the last sentence of Section 904.4 that the employer cannot place on the statement of availability any information other than required. The reason for this is to protect the employee against prejudicial information that has no bearing whatever on the case."

The text of Mr. McNutt's regulation follows:

Pursuant to the authority vested in me as Chairman of the War Manpower Commission by Executive Order No. 9328, dated April 8, 1943, I hereby prescribe the following regulation:

904.1. Workers Previously Engaged in Other Than Essential Activities for Work in Essential Activities. Any employer engaged in an essential activity may hire for work in such activity any new employee who for the preceding 30 days was not engaged in an essential activity.

904.2. Workers Previously Engaged in Essential Activities for Work in Other Than Essential Activities. No employer shall hire for work in an activity other than an essential activity any new employee who, during the preceding 30-day period, was engaged in an essential activity if the wage or salary rate to be paid by the employer would exceed

the rate most recently earned by such employee.

904.3. Workers Previously Engaged in Essential Activities for Work in Other Essential Activities. No employer shall hire (except as provided for in Section 904.4 of this regulation) for work in an essential activity any new employee who, during the preceding 30-day period, was engaged in an essential activity if the salary or wage rate to be paid by the employer would exceed the rate most recently received during such period by the employee.

904.4. Workers Previously Engaged in Essential Activities for Work in Other Essential Activities in Areas or Industries Subject to War Manpower Commission Employment Stabilization Programs. (a) Any employer engaged in an essential activity may hire for work in such activity any new employee who, during the preceding 30-day period, was engaged in an essential activity, without regard to his preceding wage rate or salary scale, providing such hiring is subject to, and permitted under, an employment stabilization program approved by the War Manpower Commission.

(b) A statement of availability shall be issued to any worker by his last employer or by the War Manpower Commission as may be provided in such employment stabilization programs and whenever the worker:

(1) Is discharged by his last employer,

(2) is laid off for an indefinite period or for a period of seven or more days, or

(3) can establish that his present employment does not utilize him at his highest skill or that he is not being employed at full time.

No statement of availability shall be issued solely on the ground that an individual's wage or salary rate is substantially less than that prevailing in the locality for the same or substantially similar work.

Any such statement shall contain the worker's name, his social security account number, if any, the name and address of the issuing employer or War Manpower Commission officer and office, the date of issuance, and a statement to the effect that the worker may be hired elsewhere in an essential activity. The inclusion by an employer on such notice of any information other than that required by this regulation shall be deemed to be a violation of this regulation.

904.5. Acceptance of Employment by Workers. No individual shall accept new employment with an employer if the employer is prohibited from hiring him under this regulation.

904.6. Penalties. The hiring by an employer of a new employee, or the acceptance by an individual of new employment, in violation of this regulation is subject to the penal provisions of the Act of Oct. 2, 1942 (Pub. No. 729, 77th Cong.). The provisions of Sec. 4001.10 of the Regulations of the Economic Stabilization Director, issued Oct. 27, 1942, apply to any wages or salaries paid in violation of this regulation.

904.7. Definitions. (a) Essential activity means any activity in the War Manpower Commission List of Essential Activities (see Appendix A) and any activity approved by a Regional Manpower Director as a locally-needed activity.

(b) New employee means any individual who has not been in the employ of the hiring employer at any time during the preceding 30-day period.

(c) New employment means employment with an employer

by whom the individual has not been employed at any time during the 30-day period preceding such employment.

904.8. Employee - Employer Agreements. Nothing in this regulation shall be construed to prejudice existing rights of an employee under any agreement with his employer.

904.9. Effective Date. This regulation shall become effective at 12:01 a. m. Sunday, April 18, 1943.

The revised list of essential industries and activities as ordered by the War Manpower Commission, as given in the New York "Times" of April 17 follows:

1. Production of Aircraft and Parts—The production, maintenance and repair of aircraft, gliders, parachutes, dirigibles, balloons, aircraft engines, aircraft parts, pontoons, propellers and similar products.

2. Production of Ships, Boats and Parts—The production, maintenance and repair of ships, boats, ship and boat parts and equipment.

3. Production of Ordnance and Accessories—The production, maintenance and repair of firearms, guns, howitzers, mortars, gun turrets and mounts, tanks, sighting and fire-control equipment, torpedo tubes and similar products.

4. Production of Ammunition—The production of bombs, mines, torpedoes, grenades, chemical warfare projectiles, explosives, fuses, pyrotechnics, as well as products such as glycerin, which go into the manufacture of ammunition.

5. Agriculture and Commercial Fishing:

5a. Agriculture: Livestock and livestock products, including beef cattle, dairy cattle, hogs, poultry, sheep and goats; fiber, oil crops, and potatoes, including castor beans, American-Egyptian, sea island and upland cotton, flaxseed and soybeans, hemp, peanuts, Irish potatoes and sweet potatoes; field crops, including barley, dry field peas, oats, rye, wheat, alfalfa hay, alfalfa hay seed, cover crop seed, broom corn, corn for grain and silage, dry edible beans, green peas for processing, rice, sweet corn, hybrid seed corn, grain sorghum, tame hay and seed, wild or native hay; tree fruits, small fruits and berries; medicinal, insecticide and rubber plants; vegetables for fresh consumption and processing; vegetable plants and seed; other food and special crops, including honey, tree nuts, sugar cane for sugar and syrup, sugar beets, sugar beet seed, sorghum and sorgo syrup and tobacco.

5b. Agricultural Services and Commercial Fishing: Agricultural, horticultural and animal husbandry services such as commercial hatcheries, seed processing, animal breeding, crop disease protection services, initial processing services such as ginning, compressing, threshing, cleaning, shelling and curing, irrigation services, farm repair and maintenance services, farm product assembly services, all of which are performed on a substantially year-round basis to essential activities related to essential crops and livestock enterprises indicated in local board release No. 175; commercial fishing.

6. Processing of Food—Meat-packing and slaughtering (including poultry), production of all types of butter, cheese, milk and eggs; canned or preserved fish and nuts, canned or preserved fruits and vegetables and their juices, soups, flour and other grain-mill products, prepared feeds for animals and fowls, starch, cereals, rice, bread and other bakery products, sugar, leavening compounds, corn syrup and edible fats and oils. Includes dried, dehydrated, frozen, and other special-processed foods.

7. Forestry, Logging and Lumbering—Timber tracts and logging camps, sawmills, veneer,

cooperage-stock, planing and plywood mills; raising of tung-oil trees, fire prevention, pest control, forest nurseries and reforestation services, gathering of gums and barks for the manufacture of naval stores and medicinal purposes.

8. Construction—Highway and street construction, marine construction, construction of approved industrial plants, houses, hospitals and military products; repair of such facilities, and services necessary to complete such construction.

9. Coal Mining—The mining of anthracite, bituminous and semi-anthracite coal; lignite and peat, and the operation of breakers or preparation plants. Includes also removing overburden and other such activities preparatory to coal mining operations.

10. Metal Mining—The mining of iron, copper, lead, zinc, aluminum, mercury, manganese, chromium, molybdenum, tungsten, vanadium and similar ores and the dressing of such ores. Includes also removing overburden, sinking shafts and other such activities preparatory to metal mining operations.

11. Non-Metallic Mining and Processing and Quarrying—The mining and processing of rock salt, phosphate rock, sulphur, potash, asbestos, graphite pyrites, graphite, borates and other salines, fluorspar, mica, talc, abrasive sands and similar products. Excludes all mined or quarried non-metallic materials used exclusively in construction.

12. Smelting, Refining and Rolling of Metal—Primary and secondary smelting and refining, alloying, rolling and drawing of iron, steel, copper, lead, zinc, magnesium, aluminum, brass, bronze, nickel, tin, cadmium, ferro-alloys and any other metals used in the production of war materials, and scrap salvage.

13. Production of Metal Shapes and Forgings—The manufacture of castings, die castings, forgings, wire, nails, chains, anchors, axles, pipe, springs, screws, bolts, tubing, stampings, pressings, structural shapes and machined parts.

14. Finishing of Metal Products—Enameling, japanning, lacquering, painting, plating and galvanizing of metal products.

15. Production of Industrial and Agricultural Equipment—Power boilers, wiring devices and supplies, agricultural implements, electric lamps, storage and primary batteries, pumps, compressors and pumping equipment, recording, controlling and measuring instruments and meters, conveyors, industrial cars and trucks, blowers, exhaust and ventilating fans, mechanical power transmission equipment, such as clutches, drives and shafts; mechanical stokers, tools, files and saws, plumbers' supplies, professional and scientific instruments, photographic apparatus and optical instruments, and all equipment necessary to operate plants producing essential commodities.

16. Production of Machinery—Engines and turbines, metal-working machinery and equipment; electrical generating, distributing and industrial apparatus for electric public utility, manufacturing, mining, transportation and construction use, for use in manufactured products or in service industries; construction, mining, agricultural, oil field, smelting and refining machinery, as well as all machinery necessary to produce, equip and maintain aircraft, ships, ordnance and other military equipment.

17. Production of Chemicals and Allied Products and Essential Derivatives Thereof—Glycerine; turpentine, rosin and other naval stores; wood tars, oils, acids and alcohols; plasticizers, lubricating oils and grease, animal and vegetable oils, fertilizers; tanning materials; chemicals pulp; salt, synthetic rubber; coal-tar products; plastics; compressed and liquefied gases; refined sulphur; acids;

caustic and other sodas; alcohols; electro-chemical and electro-metallurgical products such as carbide, sodium and potassium metals and high-percentage ferro-alloys; drugs and medicines; insecticides and related chemical compounds; synthetic textile fibers used in military equipment exclusively; grease and tallow. (Explosives, flares and other fireworks, generally classified as chemical products, are included with ammunition.)

18. Production of Rubber Products—All rubber products.

19. Production of Leather Products—The production of shoe and belting leather; industrial belting for transmission of power; boots, shoes, and gloves, for military and industrial use; saddlery, harness, and accessories.

20. Production of Textiles—Spinning and weaving of fabrics for parachutes and powder bags; of canvas for tents, sails, tarpaulins, and related heavy canvas products; asbestos, fibrous glass, cotton, woolen, knit, linen, silk, and synthetic fiber goods for military and industrial use.

21. Production of Apparel—Apparel for the armed forces, and work clothing.

22. Production of Stone, Clay and Glass Products—Scientific and industrial glass products; sand-lime, fire-brick and other heat-resisting clay products; lime, abrasive wheels, stones, paper, cloth and related products; asbestos products including steam and other packing, pipe and boiler covering, crucibles and retorts; porcelain electrical supplies; as well as parts of military apparatus.

23. Production of Petroleum, Natural Gas and Petroleum, Coal Products—Drilling, rig-building, and maintenance service operations, and petroleum refining. Includes also production of tar and pitch, coal gas and coke.

24. Production of Finished Lumber Products—Cork production such as life-preservers; storage battery boxes; insulating material; cars; matches; wood preservation activities. Includes also wooden parts of aircraft, ships and other military equipment.

25. Production of Transportation Equipment—The production of motor vehicles such as trucks, ambulances, fire engines, buses and military motorized units; essential parts and accessories of such motor vehicles; motor cycles, bicycles, and parts; locomotives and parts; railroad and street cars and equipment.

26. Transportation Services—Air transportation; line-haul railroad; switching and terminal; railway and air express; freight forwarding; rail inspection; local transit, rapid transit, interurban electric railway, and over-the-road bus; offshore and inter-coastal water transportation, including shore service such as stevedoring and harbor operations; pipe-line transportation; transportation services on the inland waterways, Great Lakes, harbors, bays, sounds, and waters connected with the seas, including shore service such as stevedoring; trucking, warehousing; dry, open and cold storage of essential and perishable commodities.

27. Production of Materials for Packing and Shipping Products—Textile bags; vegetable and fruit baskets; cooperage; excelsior; heavy-duty paper and pulp; rope, cordage and twine; wooden, paperboard, container board, glass, fiber, metal and paper containers and envelopes for shipping and preserving essential products.

28. Production of Communication Equipment—Radios and radio equipment; radar; telephone, telegraph, cable, television and signaling apparatus.

29. Communication Services—Magazines of general circulation which are devoted primarily to the dissemination of public information; newspapers and news

(Continued on page 1503)

Re-Education Of Post-War Europe Is U. S. Aim For Discussion At United Nations Conference

Plans of the United States Government to extend its objectives to include the study of and discussions with the United Nations of the re-education of post-war Europe were indicated on April 7, such conferences representing additions to those already proposed as to food, refugees and international currency. The New York "Times" of April 8 in noting this stated that latest plans were revealed to the Institute of Educational Recon-

struction at New York University under the auspices of the United States Committee on Educational Reconstruction, a body of civilian educators, in joint session with the Central and Eastern European Planning Board, representing Poland, Czechoslovakia, Yugoslavia and Greece.

According to the paper from which we quote the first session of the two-day institute was opened by Dr. John W. Studebaker, United States Commissioner of Education, with the declaration that the United Nations and must be prepared, "as a necessary underpinning to disarmament and economic and political re-organization," to restore the educational systems which Germany had crushed in over-running countries and to provide "some temporary supervision" of the educational system which Germany had used to convert its own and other peoples to the Nazi philosophy.

From the "Times" we also quote:

"In opening up the subject, Commissioner Studebaker said:

"Education must go hand in hand with international arrangements for trade, for disarmament, for political organization. For they are not likely to be achieved unless they have an underpinning of sound popular understanding as to their necessity and practicability.

"A world only half-educated can only be half-free. I am convinced that education for democracy throughout the world must somehow be achieved if the world is not to suffer, generation after generation, from any more destructive and calamitous wars.

"We must not only plan for the speedy rehabilitation of the educational institutions in the democratic nations which have been overrun by the Nazi hordes. We must also extend our planning to include assistance in the eventual restoration of the educational systems of Germany and its satellites, in which the education has been prostituted to the evil purposes of evil nationalist leaders.

"Although food and medical supplies may very well be the most pressing need in the liberated nations of Europe, almost as pressing and much more difficult to meet will be the need of ministering to the minds of men and women, rebuilding their faith and courage, their hope in the prospect of a better world for their children.

"The most difficult problem is the decontamination of the educational systems of the Axis nations themselves.

"It has often been said that this is a war of ideas. It is hardly to be hoped that this war will end with the unconditional surrender of the vanquished. In the field of ideas, as well as in the war of physical disarmament, the United Nations must be prepared to provide some temporary supervision of education as assurance of mental and moral disarmament, until such time as the evil Nazi ideology force has been extirpated and its place taken by a constructive program of democratic education."

That the State Department at Washington is identified with the movement was disclosed at the meeting by Dr. Ralph Turner, representing the Cultural Relations Division of the Department of State, it is learned from the "Times," which stated that it was revealed that the Government's action was designed with a view to avoid repeating the "error" of the Versailles peace in neglecting the course of the common man

in Europe after the last war. Asked to speak during the session, Dr. Turner, said the "Times," explained that he was present only as an observer, but could say:

"The Department of State is interested in the problem before you. It is under study, and very shortly we hope these studies will reach the point where at least one or two simple decisions will be made which will permit the Division of Cultural Relations to embark on steps which will lead to cooperation with the United Nations on a program of cultural and intellectual rehabilitation.

"I think all of you must recognize that the United States Government is so organized that activities on these lines can not be concentrated in any one agency. As matters stand at the moment, and as they will develop until the conclusion of some kind of peace, there are at least four agencies that will be concerned with matters related to the problem before you. In sequence, the significance of these organizations will be about as follows:

"To start with, the Office of War Information has certain matters in hand which are related to these problems, especially in areas in which our Army is going, now or in the future.

"Then there is the Division of Military Government in the War Department, which will be concerned with these matters when there is an army of occupation, in some countries.

"Next, the Office of Foreign Relief and Rehabilitation Operations under Governor Herbert Lehman will be responsible for relatively important work in this field of cultural and intellectual rehabilitation.

"And finally the Department of State, through the Division of Cultural Relations, will fall heir to the work and will have ultimate responsibility for cooperating with the United Nations in dealing with these problems.

"It is well for you to realize that it is a complicated situation. It means no one man from the government can come before you and tell you at this moment just exactly what the United States Government is going to do in a given situation. It is our hope that progressive actions may be taken by each of these agencies which will build toward a constructive program in which the United States will cooperate with the United Nations.

"In this situation with regard to the Government agencies, there is another situation. In this institute which you have organized here we have private initiative working at these problems. That is truly American. It is the way we do things.

"It is the point of view of the State Department that it is from such private sources, through the cooperation of private agencies, that the program which is ultimately made a part of the United Nations program with the support of the U. S. Government, will be formulated. We are not in the United States Government trying to formulate a program in this educational matter. We are trying to reach into the depths of American thinking, and receive from it the measures which the Government will be able to support.

"I think in a relatively short time action will be taken to put us in a much better position to work openly with the private agencies on these problems."

Warns Of Threat Of Medical Regimentation

The Chamber of Commerce of the State of New York, at its monthly meeting on April 1, adopted a report declaring that the threat of medical regimentation in the United States can be defeated by individual promotion of the basic idea of private operation which now exists in the plans of numerous private organizations. Pointing out that the pressure for a great medical bureaucracy has been steadily growing, the report said:

"It seems quite apparent that out of the action taken by the various groups interested in privately operated health insurance in New York, that some definite workable plan will come. Up to the present time, however, two conditions have presented themselves which the Committee believes must be overcome before they meet with public acceptance: (1) Many deductions are being made from employees' pay envelopes already so that any addition is looked upon by them as the 'straw that broke the camel's back.' (2) Free medical treatment as provided by hospital clinics has become such a factor in the public economy that an extremely lucid educational program would need to be promulgated to pave the way for voluntary acceptance of medical insurance. With the elimination of these two conditions, however, privately operated medical insurance should thrive."

John Sloane is Chairman of the Committee on Public Health and Welfare which drew the report.

Approves Raising FHA Ins. Authorization

President Roosevelt signed on March 23 the legislation extending for one year, to July 1, 1944, the authority issued to the Federal Housing Administration to insure mortgages on war housing projects and increasing the permissible amount of such insurance from \$800,000,000 to \$1,200,000,000.

The National Association of Home Builders, the National Association of Real Estate Boards and other organizations had supported this measure, in furtherance of the carrying through of the 250,000-dwelling unit program with which Administrator Blandford of the National Housing Agency has charged them.

The measure passed the Senate on Feb. 25 and the House on March 17, with both branches of Congress adopting a conference report on March 19.

With regard to the approval by President Roosevelt of amendments indicated above to the National Housing Act just voted by Congress, making Title VI insured financing available for approximately 90,000 additional dwelling units to be built for war workers by private builders, John B. Blandford, Jr., National Housing Administrator, on March 27 said:

"The amendments increase the Federal Housing Administration's war housing mortgage insurance authorization under Title VI by \$400,000,000 to \$1,200,000,000 and extend the FHA's authority to insure under that title from July 1, 1943, to July 1, 1944.

"The increase in Title VI authorization was requested by the National Housing Agency in order to assure adequate financing arrangements for the private units still to be started under the NHA's current program to meet war housing needs created by immigration of war labor through July 1 of this year.

"On March 1, approximately 150,000 privately financed family units were still to be started under that program. Of these, it is estimated that roughly 110,000

still require financing arrangements."

The advices from the National Housing Administration on May 27 also stated:

"Because of war-time hazards and uncertainties, most private lending institutions are reluctant to finance war housing projects on an uninsured basis, with the result that approximately 85% of all private war housing now being built is covered by Title VI insurance. Mr. Blandford pointed out. The \$400,000,000 increase now approved for Title VI will provide insurance protection for approximately that percentage of the private units still to be financed under the present quota.

"Mr. Blandford emphasized that the increase in Title VI insurance authorization relates solely to the financing of the NHA's current war housing program rather than to any new program. Estimates of the anticipated continued immigration of war labor after July 1, prepared by the War Manpower Commission, are now in process of analysis by the NHA to determine what additional war housing construction will be required to meet those further war housing needs, he said.

"Upon completion of these studies, the National Housing Agency will make a further request to Congress for additional Title VI authorization as well as for additional appropriations for publicly financed war housing projects, Mr. Blandford said.

"Following upon the President's approval of the \$400,000,000 increase in Title VI authorization, Commissioner Abner H. Ferguson of the Federal Housing Administration has instructed FHA field offices to resume issuing Title VI commitments to insure mortgages on qualified private war housing projects.

"Outstanding Title VI insurance plus commitments to insure projects now under way had recently reached the previous \$800,000,000 ceiling for Title VI insurance, thereby necessitating a brief halt in issuance of further commitments. However, FHA field offices have continued to process new insurance applications in order to prevent delays pending final approval of the National Housing Act amendments."

Tax, Forced Savings Plans Being Studied

President Roosevelt told his press conference on April 10 that it is still the Administration's hope to collect \$16,000,000,000 of additional funds by taxation, forced savings, or both, during the fiscal year 1944. The President had expressed this belief in his January budget message to Congress.

Mr. Roosevelt explained to his press conference that his "hold-the-line" order against inflation could not be accomplished solely by wage and price ceilings and by rationing but that the nation must be prepared to spend less and save more. This means taxes and savings, he added, declaring that the Administration is now at work on plans to be suggested to the appropriate Congressional committees. Associated Press accounts from Washington April 10 reported Randolph Paul, Treasury General Counsel, as saying it would be highly unrealistic to rely on taxation along traditional lines alone to absorb the entire excess of civilian spending which threatens a runaway inflation. These advices added:

He expressed the belief that if present personal taxes were doubled to yield an additional \$15,000,000,000, the level of voluntary savings would fall below the current figure of \$24,000,000,000 annually—thus in part defeating the purpose of the higher taxes.

Advocates of compulsory lending or saving levies say that they

preserve the incentive to work, by providing for post-war refund of the taxes.

In addition, Treasury officials said the promise of future rewards inherent in these programs justifies a greater restriction of consumption among the lower income groups than would be fair under outright taxation.

One schedule of rates proposed for compulsory savings or lending would exempt the first \$1,000 of income of a married person with no dependents, require that 20% of the next \$1,000 and 40% of the next \$1,000 be made as a compulsory loan to the Government or put into some type of savings, if compulsory savings were adopted. The schedule would be adjusted upward to meet higher incomes.

Special provision for fixed commitments or extraordinary expenses, Treasury officials said, could be made under either program by allowing offsets for such things as personal taxes, rents, medical expenses, debt repayments and the like.

In his statement on inflation (April 8) the President said that Congress must act "to reduce and hold in check the excess purchasing powers."

The President's budget message appeared in our Jan. 21 issue, page 286.

Clark Nominated To Head NY Group Of AIB

G. Russell Clark, Assistant Manager of the New York Clearing House, has been nominated for the Presidency of New York Chapter, American Institute of Banking. Mr. Clark is now serving as First Vice-President, succeeding to the unexpired term of Everett J. Livesey, who joined the Navy.

Other officers nominated for the coming year are:

First Vice-President: James E. Robertson, Assistant Cashier of the Chase National Bank.

Second Vice-President: Edgar C. Egerton, Vice-President of the Seamen's Banks for Savings.

Treasurer: James Lyall, Personnel Director of the United States Trust Co.

Chief Counsel: John W. Boyle, Manager of the Brooklyn office of the Title Guarantee and Trust Co.

New nominees for the Board of Governors include Raymond C. Dearing, Assistant Comptroller of the Manufacturers Trust Co.; Clinton W. Parker, Assistant Secretary of the Dime Savings Bank of Brooklyn, and Crawford Young, Trustee and Vice-President of the Flatbush Savings Bank.

The annual meeting of the New York Chapter will be held on May 11.

Pay On Rio Grande 8s

Ladenburg, Thalmann & Co., New York, as special agent, is notifying holders of State of Rio Grande do Sul (United States of Brazil) 25-year 8% sinking fund gold bonds, external loan of 1921, that funds have been deposited with it sufficient to make a payment, in lawful currency of the United States of America, of 17.50% of the face amount of the coupons due April 1, 1941, amounting to \$7.00 for each \$40 coupon and \$3.50 for each \$20 coupon. The announcement also says:

"Pursuant to the provisions of the Presidential Decree of the United States of Brazil, such payment, if accepted by the holders of the bonds and coupons, must be accepted in full payment of such coupons and of the claims for interest represented thereby.

"No present provision, the notice states, has been made for the coupons due April 1, 1932, to Oct. 1, 1933, inclusive, but they should be retained for future adjustment."

Wholesale Commodity Index Advanced 0.1% During Week Ended April 10, Says Labor Dept.

The U. S. Department of Labor, Bureau of Labor Statistics' comprehensive index of prices in primary markets rose 0.1% during the week ended April 10. At 103.5% of the 1926 average the all-commodity index was 5.5% higher than at this time last year.

The Bureau's announcement issued April 15 further stated: "Farm Products and Foods: Following sharp advances during the preceding two weeks, average prices of farm products in primary markets declined 0.3% during the week ended April 10. Quotations for rye declined 6%; wheat and eggs, 1 1/2%; and cotton, nearly one-half of 1%. Lower prices were also reported for oats, flaxseed and calves, and for apples (New York market), lemons, and white potatoes (New York market). Higher prices were reported for corn, steers, light hogs, wethers, oranges, and fine clothing wool.

"On April 7, following the statement by the President on prices and wages, further declines were reported in leading markets for wheat, flaxseed, hogs, wool and cotton.

"Food prices advanced 0.1% during the week. In addition to higher prices for certain fruits and vegetables, price increases were reported for bread in Chicago and New York, rye flour, black pepper, and fresh veal. These price changes were primarily attributable to the rationing program and adjustments by the Office of Price Administration in ceiling prices.

"Industrial Commodities: As indicated by the index for 'all commodities other than farm products and foods,' industrial commodity markets remained comparatively steady. Prices for linseed oil, maple flooring, and Ponderosa and Idaho pine, and for boxboard and powdered soap advanced. Rosin, turpentine, sewer pipe, and copper sulphate declined. Quotations for binder twine advanced more than 19% during the week as a result of action by the Office of Price Administration. California crude petroleum rose about 6% and cattle feed prices were somewhat higher."

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

The following table shows index numbers for the principal groups of commodities for the past 3 weeks, for March 13, 1943 and April 11, 1942 and the percentage changes from a week ago, a month ago, and a year ago:

Commodity groups—	1926=100			Percentage changes to April 10, 1943, from—				
	4-10 1943	4-3 1943	3-27 1943	3-13 1943	4-11 1942	4-3 1942	3-13 1942	4-11 1942
All commodities	103.5	103.4	103.3	103.2	98.1	+0.1	+0.3	+5.5
Farm products	124.3	124.7	124.2	123.5	104.6	-0.3	+0.6	+18.8
Foods	107.9	107.8	107.6	107.0	97.0	+0.1	+0.8	+11.2
Hides and leather products	118.4	118.4	118.4	118.4	119.8	0	0	-1.2
Textile products	96.9	96.8	96.8	96.8	97.1	+0.1	+0.1	-0.2
Fuel and lighting materials	81.1	80.8	80.8	80.7	77.9	+0.4	+0.5	+4.1
Metals and metal products	103.9	103.9	103.9	103.9	102.9	0	0	0
Building materials	110.3	110.4	110.4	110.4	110.5	-0.1	-0.1	-0.2
Chemicals and allied products	100.1	100.1	100.0	100.0	97.1	0	+0.1	+3.1
Housefurnishing goods	104.2	104.2	104.2	104.2	104.3	0	0	-1.1
Miscellaneous commodities	51.3	51.2	51.2	51.2	89.7	+0.1	+0.1	+1.8
Raw materials	112.7	112.8	112.5	112.1	99.4	-0.1	+0.5	+13.4
Semimanufactured articles	93.0	93.0	92.9	92.9	92.8	0	+0.1	+0.2
Manufactured products	100.8	100.7	100.7	100.6	98.5	+0.1	+0.2	+2.3
All commodities other than farm products	99.0	98.9	98.8	98.8	96.7	+0.1	+0.2	+2.4
All commodities other than farm products and foods	96.7	96.7	96.6	96.6	95.6	0	+0.1	+1.2

*Preliminary.

Steel Operations Increased—Demand Lower— Most Second Quarter Steel Covered By CMP

The American Iron and Steel Institute on April 19 announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 91% of the steel capacity of the industry will be 99.1% of capacity for the week beginning April 19, compared with 98.8% one week ago, 99.1% one month ago and 97.6% one year ago. This represents an increase of 0.3 point or 0.3% from the preceding week.

The operating rate for the week beginning April 19 is equivalent to 1,716,100 tons of steel ingots and castings, compared to 1,710,900 tons one week ago, 1,716,100 tons one month ago, and 1,657,900 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on April 19, stated in part as follows: "Since April 15, which marked passing of the period in which rated orders as of March 22 could not be displaced by CMP orders, steel producers are in better position to appraise delivery schedules.

"Most consumers under Production Requirements Plan obtained validation of their orders, and some who did not were advised by Washington that all allotment numbers would be applicable within a few days, and anticipating little delay. Those who have not been given assurance of getting allotment numbers believe they have little chance of obtaining delivery, because of the volume of CMP orders on mill books, which from now on will take precedence.

"Mills are not fully booked for second quarter on some products but small possibility exists of many PRP orders getting on

or lower, but with no sharp changes. OPA has announced extra charges by warehouses on National Emergency steels, mainly for special treatment or quality.

"The scrap supply situation in general is easy, steelmakers being well supplied and adding to reserves in a few cases."

"The Iron Age" in its issue of today (April 22) stated, in part, as follows: "The controversy over the inspection of steel plates, which has grown into one of the most regrettable incidents on the home front in this war, appeared proceeding toward a conclusion this week. But, in the meantime, the pileup of produced but un-inspected material was threatening to slow down the chain of operations in some producing areas.

"Lack of finishing space and storage space brought some plate producers face to face with the problem of what to do with slabs or ingots temporarily. Steel companies are not allowed to divert much raw steel to products other than those specified by the Government.

"The importance of plate mills, which account for a large share

of present-day steel, is emphasized by the fact that third-quarter requests for steel total over 20,000,000 tons, against probable total production of 14,500,000 tons.

"There are numerous other problems in the steel industry at the present time. With an all-time high total of 95,000,000 tons of iron ore to be moved this season down the Great Lakes, carriers still are unable to break through the thick ice and it may be May 1 before full-scale operations are under way. At Washington, recommendations are being pushed for alleviating a prospective shortage of coke for blast furnaces. If ovens are to be completed on the scale deemed necessary by steel experts, construction will have to be spurred.

Temporarily, at least, a number of blast furnaces are down for long-needed repairs, but when the rehabilitation is completed more coke than ever will be needed.

"Users of steel have been going through difficulties, too. Special priority assistance is likely to be offered on the basis of individual needs."

WMO Restricts Transfer Of 27 Million Workers In Essential Industries

(Continued from page 1501)

syndicates; production of motion pictures (including technical and vocational training films for the Army, Navy and War Production industries); protective signal systems which supplement fire and police protection to military, public and private industrial and commercial establishments; radio broadcasting; radio communications (radio telephone and radio telegraph); submarine cable; telegraph; telephone; television.

30. Heating, Power, Water Supply and Illuminating Services—Electric light and power, water and gas utilities; steam-heating companies.

31. Repair Services—Repair of vehicles, such as bicycles, motorcycles, automobiles; buses, trucks; tires; typewriters; and business machines; elevators; shoe repairing; radios; refrigerators; clocks; harnesses; tools; stoves; pneumatic tube systems; power laundry equipment; electric appliances and motors, engines, heating equipment; scientific, commercial and industrial weighing machines; farm and other industrial scientific equipment; roofing; and electric, gas, and plumbing and heating installations in domestic, commercial and industrial buildings. Blacksmithing; armature rewinding; locksmith-

ing. It is intended that consideration be given only to individuals qualified to render all-around repair services on the types of equipment specified herein as required for the minimum essential needs of the community.

32. Health and Welfare Services—Offices of physicians, surgeons, dentists, oculists, osteopaths, podiatrists and veterinarians; medical and dental laboratories; hospitals; nursing service; institutional care; auxiliary civilian welfare services to the armed forces; welfare services to civilians.

33. Educational Services—Public and private industrial and agricultural vocational training; elementary, secondary and preparatory schools; junior colleges, colleges, universities and professional schools, educational and scientific research agencies; and the production of technical and vocational training films.

34. Governmental Services.

35. Technical, Scientific and Management Services—The supplying of technical, scientific and management services to establishments engaged in war production; union management negotiation services; and the publication of technical and scientific books and journals.

Clare Luce Demands Heavy Tax On Rich— Sees Draft Of Women And Younger Boys

(Continued from first page)

it "if President Roosevelt will inform Congress that he really believes it to be a win-the-war measure."

She added, however, that the bill could not be administered "by the small but apparently insoluble group of waltzing mice and pretzel benders running the Manpower Commission," and it is the knowledge of this as much as anything else that is holding up the passage of the bill in Congress.

Praising President Roosevelt's vision on international affairs, she said this was never matched "by any commensurate degree of administrative ability," with the result that poor administration from the top has percolated down into every bureau and branch of the Federal Government.

Hitting out at what she termed the "sometimes downright silly administration of the ration program," she said, "If the New Deal is indeed on the skids, those skids will be lubricated with rationed butter and goose grease."

"This is the time to get on with the war and to take whatever hard steps are necessary to win it. We all know now that the mistakes that have been made, even since Pearl Harbor, in Congress, in the bureaucracies and in the White House, have jacked up the price of this war by thousands upon thousands of lives."

Associated Press advices from Bridgeport, Conn., on April 17 had the following to say in part about Mrs. Luce's remarks concerning the drafting of women:

Mrs. Luce was very sad because the women hadn't stepped up to volunteer in sufficient numbers, and asserted, "This war is not going to be pleasant."

Mrs. Luce, declaring that she understood the Waacs, Waves and Spars still need half a million women, said: "We may have to come to drafting women to fill the auxiliary services."

United Press advices from Bridgeport, Conn., on the same day gave the following remarks

of Mrs. Luce, about the drafting of 17-year-old boys:

She was asked, as a member of the House Military Affairs Committee, what she thought of proposals to draft 17-year-old youths. "That's a brutal question," she replied, "and I'll give a brutal answer. We have gotten into such a tangle on the manpower question that drafting 17-year-olds would be the only way out."

Jesse Jones Fears For Small Business

Sees Inflation Unless Excess Money Is Siphoned Off

Secretary of Commerce Jesse Jones believes "we will have inflation, in spite of the world," unless a substantial part of \$43,000,000,000 in excess purchasing power is siphoned off. He also fears the nation's small businesses are facing a dark future.

Secretary Jones, who is also head of the Federal Loan Agency, told the House Appropriations Committee during recent hearings on the Commerce Department supply bill, which was reported on April 5, that the best estimates of the national income this year set the figure at \$119,000,000,000. Associated Press Washington advices of April 5 further said:

"At current prices for the things we can buy, there would be an excess of some \$43,000,000,000, which is the inflationary item in our whole economy," he testified.

He advanced no suggestion as to how best to siphon off the excess income.

The nation's economy, he said, "has not yet felt the seriousness of what is going to happen to little business, but little businesses are beginning to dry up" and as "conditions get worse and there are fewer things to buy, sell and trade in, more of them are going to dry up."

Without referring to any other agencies operating to aid small business, Mr. Jones said the Reconstruction Finance Corporation and affiliated agencies which he heads were interested in helping small industries that cannot get war work.

New Turko-German Trade Pact Reported

Associated Press advices from Ankara, on April 19, said that unofficial but well-informed quarters reported that Germany and Turkey had signed a new trade agreement involving the barter of goods estimated at approximately \$30,000,000. The advices continued:

Details of the accord were not immediately disclosed. Authoritative quarters have indicated, however, that it was unlikely Turkey would sign any agreement involving shipments of Turkish chrome—the commodity in which the Germans are most vitally interested.

Dr. Karl Clodius, German economic expert, has been here negotiating with Turkish authorities since March 25.

An agreement under which Turkey was to have delivered chrome to Germany last year in exchange for railway equipment and other heavy industrial products expired the end of last month. The chrome shipments never were made because Germany failed to make the required deliveries.

Reports were current, meanwhile, that Franz von Papen, German Ambassador to Turkey, would depart early in the week for a trip to Berlin for conferences with Adolf Hitler and other German leaders. Observers here linked von Papen's expected departure with recent visits of Hungarian, Rumanian and Balkan leaders to Germany.

March Retail Prices Increase Slightly, According To Fairchild Publications Index

Retail prices have shown a slight increase after remaining constant for eight consecutive months. During the month of March the composite index has gone from 113.1 to 113.2, an advance of 0.1%.

The firm's announcement, made available April 15, further stated:

"The only one of the major groups which moved during the month of March was women's apparel, 0.1%, which was mainly affected by increases in furs. This in turn gave reason for the slight advance recorded by the composite index. All the other groups remained at the same level as during the preceding month."

"All the individual commodities remained at the same level as last month, with the exception of furs. Furs increased 0.6% during March. This brought it to the same level a year ago, thereby showing no rise over April 1, 1942.

"Even with the slight movement recorded by retail prices this month, the indications are that they will continue to remain around the same level in the near future, according to A. W. Zelomek, economist under whose supervision the index is compiled."

THE FAIRCHILD PUBLICATIONS RETAIL PRICE INDEX

JAN. 3, 1931=100

Copyright 1943 Fairchild News Service

Table with multiple columns showing retail price index for various categories like Composite Index, Piece Goods, Women's Apparel, etc., from March 1942 to April 1943.

NOTE—Composite Index is a weighted aggregate. Major group indexes are arithmetic averages of subgroups.

Electric Output For Week Ended April 17, 1943 Shows 18.4% 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 17, 1943, was approximately 3,916,794,000 kwh., compared with 3,307,700,000 kwh. in the corresponding week last year, an increase of 18.4%.

PERCENTAGE INCREASE OVER PREVIOUS YEAR

Table showing percentage increase over previous year for Major Geographical Divisions and Total United States.

DATA FOR RECENT WEEKS

Table showing data for recent weeks (Thousands of Kilowatt-Hours) for years 1943, 1942, 1941, and 1929.

Moody's Bond Prices And Bond Yield Averages

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

MOODY'S BOND PRICES (Based on Average Yields) table showing bond prices for various dates from 1943 to 1941, categorized by ratings (Aaa, Aa, A, Baa).

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices) table showing bond yield averages for various dates from 1943 to 1941, categorized by ratings.

*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.

*The latest complete list of bonds used in computing these indexes was published in the issue of Jan. 14, 1943, page 202.

U. S. Invites 42 Nations To Confer On Post-War Food Supply

The State Department announced on April 10 that the United Nations conference on post-war problems will be held on May 18 at Hot Springs, Va. The United States has invited 42 nations to send representatives to the meetings and to date 25 have indicated their acceptance.

The conference was originally scheduled to be held on April 27 but the postponement to the later date was necessary in order to permit delegates to reach this country. The invitations have been sent to the 30 other United Nations, to eight Latin-American countries associated with them in the war, and to Egypt, Iran, Iceland and Liberia.

The five-man delegation appointed by President Roosevelt to represent the United States will be headed by Marvin Jones, Judge of the United States Court of Claims and Assistant Director of Economic Stabilization.

"The purpose of the conference is to provide an opportunity for an exchange of views and information with respect to the following topics and for exploring and seeking agreement in principle as to the most desirable and practicable means and methods of dealing with the following problems: Plans and prospects of various countries for the post-war period

regarding production, import requirements or exportable surpluses of foodstuffs and other essential agricultural products, with a view to improving progressively in each country the levels of consumption within the framework of the opportunities and possibilities of an expansion of its general economic activity.

"Possibilities of coordinating and stimulating by international action national policies looking to the improvement of nutrition and the enhancement of consumption in general.

"Possibilities of setting up international agreements, arrangements and institutions designed to promote efficient production of foodstuffs and other essential agricultural products and to insure for the world adequate supplies of such products with due consideration to the attainment of equitable prices from the viewpoint of both producers and consumers.

"Commercial, financial and other arrangements which will be necessary in order to enable the countries of the world to obtain the foodstuffs and other essential agricultural products which they will need and to maintain adequate markets for their own surplus production."

Lumber Movement—Week Ended April 10, 1943

According to the National Lumber Manufacturers Association, lumber shipments of 449 mills reporting to the "National Lumber Trade Barometer" exceeded production by 11.3% for the week ended April 10, 1943. In the same week new orders of these mills were 7.4% greater than production.

For the year to date, shipments of reporting identical mills exceeded production by 16.7%; orders by 21.0%.

Compare to the average corresponding week of 1935-39 production of reporting mills was 25.9% greater; shipments were 37.8% greater, and orders were 29.9% greater.

Bittner WLB Member

President Roosevelt has appointed Van A. Bittner, of the Steel Workers of America (CIO affiliate), as a member of the War Labor Board to fill the vacancy caused by the resignation of Thomas Kennedy, Secretary-Treasurer of the United Mine Workers of America.

Mr. Kennedy's resignation was accepted by the President on April 10 with regret. He had been a member of the WLB since its creation in January, 1942.

Moody's Daily Commodity Index

Table showing Moody's Daily Commodity Index for various days from Tuesday, April 13 to Tuesday, April 20, 1943.

Revenue Freight Car Loadings During Week Ended April 10, 1943 Amounted To 789,018 Cars

Loading of revenue freight for the week ended April 10, 1943 totaled 789,018 cars, the Association of American Railroads announced on April 15. This was a decrease below the corresponding week of 1942, of 25,078 cars, or 3.1%, but an increase above the same week in 1941, of 109,210 cars, or 16.1%.

Loading of revenue freight for the week of April 10, increased 16,885 cars, or 2.2% above the preceding week.

Miscellaneous freight loading totaled 381,416 cars, a decrease of 1,664 cars below the preceding week, but an increase of 16,906 cars above the corresponding week in 1942.

Loading of merchandise less than carload lot freight totaled 99,519 cars, a decrease of 1,447 cars below the preceding week, and a decrease of 32,848 cars below the corresponding week in 1942.

Coal loading amounted to 173,831 cars, an increase of 16,374 cars above the preceding week, and an increase of 13,220 cars above the corresponding week in 1942.

Grain and grain products loading totaled 41,959 cars, a decrease of 1,367 cars below the preceding week, but an increase of 8,098 cars above the corresponding week in 1942. In the Western Districts alone, grain and grain products loading for the week of April 10 totaled 28,822 cars, a decrease of 553 cars below the preceding week, but an increase of 7,846 cars above the corresponding week in 1942.

Livestock loading amounted to 13,765 cars, a decrease of 94 cars below the preceding week, but an increase of 2,648 cars above the corresponding week in 1942. In the Western Districts alone, loading of livestock for the week of April 10, totaled 10,580 cars, a decrease of 207 cars below the preceding week, but an increase of 2,133 cars above the corresponding week in 1942.

Forest products loading totaled 42,659 cars, an increase of 764 cars above the preceding week, but a decrease of 4,209 cars below the corresponding week in 1942.

Ore loading amounted to 21,196 cars, an increase of 4,061 cars above the preceding week, but a decrease of 29,811 cars below the corresponding week in 1942.

Coke loading amounted to 14,673 cars, an increase of 268 cars above the preceding week, and an increase of 918 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 Northwestern.

Summary table with columns for years 1943, 1942, and 1941, showing revenue freight loadings and total cars for various periods.

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended April 10, 1943. During this period only 48 roads showed increases when compared with the corresponding week last year.

Large table titled 'REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS)—WEEK ENDED APRIL 10' listing railroads and their revenue and loadings for 1943, 1942, and 1941.

Main table titled 'Railroads' listing total revenue freight loaded and total loads received from connections for various railroad districts and systems.

Shipowners Liable If Sailor Hurt On Leave

The U. S. Supreme Court at Washington, on April 19, held that owners of ships must pay for "maintenance and cure" of sailors injured on shore leave, without misconduct on the seaman's part...

Circuit Court of Appeals; Aguilar lost in the Second.

Every sitting member of the highest bench agreed with the Rutledge conclusions except Chief Justice Stone, who dissented in the Aguilar case. Justice Roberts did not participate...

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on April 17 a summary for the week ended April 10 of complete figures showing the daily volume of stock transactions for the odd-lot account of all odd-lot dealers and specialists...

NAM Opposes Bill To Unionize Supervisors

Prompt passage of pending legislation designed to prohibit establishment of foremen's unions was urged by the National Association of Manufacturers on March 30. The Association's Board of Directors in formal resolution has recorded the organization as being "opposed to any interpretation of the National Labor Relations Board which would permit foremen to unionize for the purpose of bargaining collectively with employers..."

Third Cotton Forum To Be Held In Memphis

"Cotton in the Post-War World" will be the subject of the third National Cotton Conference-Forum under the auspices of the New York Cotton Exchange.

Coming at the end of the convention of the American Cotton Shippers Association during the last part of April, this forum of the New York Cotton Exchange is expected to attract large numbers from this important association's membership.

Robert J. Murray, President of the New York Cotton Exchange, expressed his appreciation of the invitation of the Memphis Cotton Exchange to hold this meeting in Memphis and said that the New York Exchange welcomes this opportunity to bring its forum to the cotton belt.

The first cotton forum was referred to in these columns of Feb. 4, page 500, and the second meeting was reported on in our issue of April 8, page 1311.

FDR Asks \$24 1/2 Billion For Navy During 1944

President Roosevelt has requested Congress to appropriate \$24,551,070,000 for the Navy for the fiscal year of 1944.

"The total compares with \$23,630,000,000 appropriated last year for the Navy, but that figure covered supplemental, deficiency and emergency appropriations as well as the regular 1943 allotment of approximately \$14,000,000,000.

"In addition to the other appropriations, the requested amount carries \$36,897,000 for the Office of the Secretary, \$523,508,000 for the Bureau of Naval Personnel, \$73,000,000 for the Bureau of Medicine and Surgery, \$1,960,000,000 for the Bureau of Yards and Docks, \$961,058,000 for the Marine Corps, \$210,000,000 for construction of floating dry docks, \$467,379,000 for the Coast Guard, \$5,124,000 for departmental salaries, and \$2,079,100 for contingent expenses."

National Fertilizer Association Commodity Price Average Declines Fractionally

There was another fractional decline in the general level of wholesale prices last week, according to the commodity price index compiled by the National Fertilizer Association and made public on April 19.

The slight recession in the all-commodity index during the week was due principally to a continued decline in prices of some farm products during the second week following announcement on April 7 of new anti-inflation measures.

During the week 10 price series included in the index declined and eight advanced; in the preceding week there were 11 declines and four advances; in the second preceding week there were 16 advances and five declines.

WEEKLY WHOLESALE COMMODITY PRICE INDEX Compiled by The National Fertilizer Association 1935-1939=100*

Table with 5 columns: Each Group Bears to the Total Index, Group, Latest Week, Preceding Week, Month Ago, Year Ago. Rows include Foods, Fats and Oils, Cottonseed Oil, Farm Products, Cotton, Grains, Livestock, Fuels, Miscellaneous commodities, Textiles, Metals, Building materials, Chemicals and drugs, Fertilizer materials, Fertilizers, Farm machinery, and All groups combined.

*Indexes on 1926-1928 base were April 17, 1943, 105.8; April 10, 1939, 105.9; April 18, 1942, 99.5.

Commercial Paper Outstanding

The Federal Reserve Bank of New York announced on April 13 that open-market commercial paper outstanding on March 31 amounted to \$200,600,000, according to reports received by the bank from commercial paper dealers.

Following are the totals for the last two years:

Table showing commercial paper outstanding in millions of dollars for 1943 and 1942, with sub-rows for March 31, Feb. 27, and Jan. 30 for both years.

Gross And Net Earnings Of United States Railroads For The Month Of January

January earnings of the railroads of the United States are very much along the lines of the earnings of other recent months, running close to the October all-time peak figures.

Gross earnings of the railroads of the United States in January, 1943, were \$671,334,151, against \$480,688,115 in January, 1942, a gain of \$190,646,036, or 39.66%.

The ratio of expenses to earnings in January, 1943, was 63.19%, which compares with 72.55% in January, 1942.

Table comparing January 1943 and 1942 earnings and expenses. Includes rows for Mileage of 132 roads, Gross earnings, Operating expenses, Ratio of expenses to earnings, and Net earnings.

In order to comprehend more clearly the significance of the 39.66% increase in railroad earnings for the month of January over the corresponding period of the previous year, we turn now to consider the general activity of business and industry.

gether in the subjoined tabulation those figures indicative of the activity in the more essential industries, together with those pertaining to grain and livestock receipts and revenue freight carloadings for the month of January, 1943, as compared with the same month of 1942, 1941, 1932 and 1929:

Table comparing January 1943, 1942, 1941, 1932, and 1929 for various commodities like Building, Coal, Freight Traffic, Livestock receipts, Western flour and grain receipts, Iron and Steel, and Lumber.

**F. W. Dodge Corp. (figures for 37 States east of Rock Mountains). †National Bituminous Coal Commission. ‡United States Bureau of Mines. §Association of American Railroads. ¶Reported by major stock yard companies in each city. ††New York Produce Exchange. ‡‡American Iron and Steel Institute. †††National Lumber Manufacturers' Association (number of reporting mills varies in different years).

Glancing at the statistics assembled in the above tabulation for the month under review, we find that gains were shown by approximately one-half of the items listed. In the 37 Eastern states, total valuation of contracts awarded during January, 1943, for all types of construction amounted to \$350,661,000, an 11% increase over January, 1942, but represents a 50% decrease from December, Pennsylvania anthracite and bituminous coal output recorded decreases of 218,000 net tons and 1,877,000 net tons, respectively, in comparison with the same month last year.

In turning our attention from the railroads of the country as a whole and focusing it on the roads and systems, separately, we notice that the individual totals are in consonance with the results shown in the general totals.

Of the 132 railroads reporting to the Interstate Commerce Commission, there were 90 of them which were able to surpass their 1942 gross earnings for the month of January, while 72 roads were able to translate their gross earnings into net earnings of \$100,000 or more.

Examining the roads individually, we find that the Pennsylvania led the gross listing with an increase of \$18,152,072, while the Atchison Topeka & Santa Fe, second in the gross, recorded the greatest gain, one of \$10,242,265, in the net category.

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

PRINCIPAL CHANGES IN GROSS EARNINGS FOR THE MONTH OF JANUARY

Large table showing principal changes in gross earnings for the month of January 1943, listing various railroads and their increase or decrease in earnings.

*These figures cover the operations of the New York Central and the leased lines—Cleveland Cincinnati Chicago & St. Louis, Michigan Central, Cincinnati Northern and

Evansville Indianapolis & Terre Haute. Including Pittsburgh & Lake Erie, the result is an increase of \$11,468,603.

PRINCIPAL CHANGES IN NET EARNINGS FOR THE MONTH OF JANUARY

Table with columns for District/Region, 1943, 1942, Inc. (+) or Dec. (-), and %. Lists various districts like Eastern, Southern, and Western with their respective earnings and changes.

*These figures cover the operations of the New York Central and the leased lines—Cleveland, Cincinnati Chicago & St. Louis, Michigan Central, Cincinnati Northern and Evansville Indianapolis & Terre Haute. Including Pittsburgh & Lake Erie, the result is an increase of \$7,420,045.

In order to indicate more clearly which sections of the country have been most active to the increased earnings, we turn now to our break-down of the nation as a whole. Arranging the roads in groups, or geographical divisions, according to their location, the generally favorable results recorded during the month of January are very clearly manifested.

For a detailed analysis of the totals compiled for the districts and regions, we make reference to our summary by groups which follows below. Our grouping of the roads is in conformity with the listing of the Interstate Commerce Commission. The boundaries of the various districts and regions are indicated in the footnote subjected to the table.

SUMMARY BY GROUPS—MONTH OF JANUARY

Summary table showing Gross Earnings and Net Earnings for Eastern, Southern, and Western districts, broken down by region and total.

Summary table showing Mileage, Gross Earnings, and Net Earnings for Eastern, Southern, and Western districts, broken down by region and total.

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

EASTERN DISTRICT

New England Region—Comprises the New England States. Great Lakes Region—Comprises the section on the Canadian boundary between New England and the westerly shore of Lake Michigan to Chicago, and north of a line from Chicago via Pittsburgh to New York.

SOUTHERN DISTRICT

Southern Region—Comprises the section east of the Mississippi River and south of the Ohio River to a point near Kenova, W. Va., and a line thence following the eastern boundary of Kentucky and the southern boundary of Virginia to the Atlantic.

WESTERN DISTRICT

Northwestern Region—Comprises the section adjoining Canada lying west of the Great Lakes Region, north of a line from Chicago to Omaha and thence to Portland, and by the Columbia River to the Pacific.

Central Western Region—Comprises the section south of the Northwestern Region west of a line from Chicago to Peoria and thence to St. Louis, and north of a line

from St. Louis to Kansas City and thence to El Paso and by the Mexican boundary to the Pacific.

Southwestern Region—Comprises the section lying between the Mississippi River south of St. Louis and a line from St. Louis to Kansas City and thence to El Paso, and by the Rio Grande to the Gulf of Mexico.

The Western grain movement for January of the current year was somewhat heavier than the previous year.

Although downward trends were shown in oats and rye, these were more than offset by increases of 19,190,000 bushels and 7,334,000 in wheat and corn arrivals, respectively. Receipts of flour increased 419,000 barrels over 1942's aggregate of 2,052,000 barrels.

In our usual form, we now present a detailed statement of the grain traffic over the Western roads for the five weeks ended January 30, 1943, as compared with the corresponding period ended January 31, 1942:

WESTERN FLOUR AND GRAIN RECEIPTS

Table comparing Western Flour and Grain Receipts for 1943 and 1942 across various cities like Chicago, Minneapolis, Duluth, Milwaukee, Toledo, Indianapolis & Omaha, St. Louis, Peoria, Kansas City, St. Joseph, Wichita, and Sioux City.

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

Large table showing Gross Earnings and Net Earnings from 1909 to 1943, including columns for Year Given, Preceding, Inc. (+) or Dec. (-), and Mileage.

the question should be approached with sympathetic understanding and a keen sense of social responsibility. The bank points out that "the effect of an overall plan of social security is to transfer the rewards of industry, effort and enterprise from the productive and self-supporting to the non-productive and dependent sections of the population, and hence to discourage industry and self-reliance and to encourage dependence on the bounty of the State." It goes on to state:

"Every special favor asked of the Government for protection against the vicissitudes of life is at the price of individual freedom. For Government aid is accompanied by Government control, with the resultant growth of a Frankenstein bureaucracy that saps the vitality of the country and, if unchecked, is followed by economic collapse, as happened in Ancient Rome when the government provided bread and circus for the people.

"By guaranteeing security, there would be no incentive for a great many people to practice thrift, to save for a rainy day, or to provide for the future welfare of their children. To the indigent and shiftless this would be an invitation for a 'free ride' at the expense of the rest of the population. But there is a point beyond which the majority would have no incentive to carry the heavy burdens involved. Then we would have a situation where production would slacken and there would be less and less to share until all would be on a subsistence level. The State would have to step in and compel people to work. The utopian scheme would be swallowed up by a fascist regime. Then the 'Four Freedoms' of the Atlantic Charter and the 'Bill of Rights' under the National Resources Planning Board program would be 'gone with the wind.' To make promises that are beyond the realm of practical attainment invites cruel disillusionment, bitterness, and despair."

While stating that "the principles underlying social security are sound and communities must, within their resources, alleviate want and cushion the shock of hard times," the bank warns that "in drawing up any measure along this line it is imperative that the program be kept within the economic capacity of the nation, and that personal initiative and enterprise may not be crippled or paralyzed in the process. For if this should happen, then the very foundation of security would be seriously undermined, if not destroyed. No official data are given as to the cost of the proposed plan, but various estimates have been made, running as high as \$25,000,000,000 a year. Surely such a load could not be placed upon a country that is already staggering under the colossal burden of war."

The Resources Planning Board's report was referred to in these columns on March 18, page 1017.

Loan For Art Gallery

The House passed on April 5 and sent to the White House a bill authorizing the Government to accept a permanent loan of \$5,000,000 for the benefit of the National Gallery of Art.

The measure, which passed the Senate on Feb. 15, authorizes the Secretary of the Treasury to receive the loan from the A. W. Mellon Educational and Charitable Trust and to pay interest on it at the rate of 4% a year, the interest to be paid to the board of trustees of the National Gallery as an endowment fund.

The gallery and the art collection of the late Andrew W. Mellon, former Secretary of the Treasury, were presented to the Government on March 17, 1941; this was noted in our issue of March 22, 1941, page 1840.

Social Security Discourages Industry And Self-Reliance; Encourages Dependence on State

The National Resources Planning Board's social security program, designed to be a blueprint of individual security from the cradle to the grave, is not a new aspiration, as, since the dawn of history, mankind has been in quest of security, says the First National Bank of Boston in its April "New England Letter." Continuing, the bank says: "As it is a challenge that must be faced,

Bank Debits For Month Of March

The Board of Governors of the Federal Reserve System issued on March 10 its usual monthly summary of "bank debits," which we give below:

SUMMARY BY FEDERAL RESERVE DISTRICTS (In millions of dollars)

Table with columns for Federal Reserve District, March 1943, March 1942, and -3 Months Ended- (March 1943, March 1942). Rows include Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, San Francisco, and totals for 274 centers, New York City, 140 other centers, and 113 other centers.

Cottonseed Receipts In March

On April 13, the Bureau of Census issued the following statement showing cottonseed received, crushed, and on hand, and cottonseed products manufactured, shipped out, on hand, and exported for the eight months ended with March, 1943 and 1942.

COTTONSEED RECEIVED, CRUSHED, AND ON HAND (TONS)

Table with columns for State, Received at mills, Crushed, and On hand at mills, comparing Aug. 1 to Mar. 31 for 1943 and 1942. Rows include Alabama, Arizona, Arkansas, California, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and All other States.

*Does not include 81,928 and 130,529 tons on hand Aug. 1 nor 46,912 and 49,948 tons reshipped for 1943 and 1942 respectively. Does include 9,897 tons destroyed for 1943.

COTTONSEED PRODUCTS MANUFACTURED, SHIPPED OUT, AND ON HAND

Table with columns for Item, Season, and On hand, Produced, and Shipped out, comparing Aug. 1 to Mar. 31 for 1943 and 1942. Rows include Crude oil, Refined oil, Cake and meal, Hulls, Linters, and Hull fiber.

*Includes 24,484,000 and 74,984,000 pounds held by refining and manufacturing establishments and 2,118,000 and 11,418,000 pounds in transit to refiners and consumers Aug. 1, 1942 and March 31, 1943 respectively.

†Includes 3,620,000 and 20,407,000 pounds held by refiners, brokers, agents, and warehousemen at places other than refineries and manufacturing establishments and 1,389,000 and 7,847,000 pounds in transit to manufacturers of shortening, soap, etc., Aug. 1, 1942 and March 31, 1943 respectively. Does not include winterized oil.

‡Produced from 1,131,806,000 pounds of crude oil.

§Total linters produced includes 15,516 bales first cut, 86,069 bales second cut and 1,096,769 bales mill run. Total held includes 9,160 bales first cut, 19,663 bales second cut and 269,978 bales mill run.

Exports and Imports of Cottonseed Products

In the interest of national defense, the Department of Commerce has discontinued until further notice the publication of statistics concerning imports and exports.

Weekly Statistics Of Paperboard Industry

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

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

STATISTICAL REPORTS—ORDERS, PRODUCTION, MILL ACTIVITY

Table with columns for Period, Orders Received, Production, Unfilled Orders, and Percent of Activity. Rows show weekly data from Jan. 2 to Apr. 10, 1943.

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

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 April 10 is estimated at 12,400,000 net tons, an increase of 1,250,000 tons over the holiday week preceding, and compares with an average weekly output of 12,546,000 tons in March. Production in the week ended April 11, 1942 amounted to 11,112,000 net tons. For the current year to date, output of bituminous coal and lignite was 7.3% 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 April 10, 1943 was estimated at 1,362,000 tons, an increase of 5,000 tons (0.4%) over the preceding week. When compared with the output in the corresponding period of 1942, there was an increase of 250,000 tons, or 22.5%.

The U. S. Bureau of Mines also reported that the estimated production of byproduct coke in the United States for the week ended April 10 showed a decrease of 2,900 tons when compared with the output for the week ended April 3. The quantity of coke from beehive ovens increased 25,400 tons during the same period.

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

Table comparing Bituminous coal and lignite, Total incl. mine fuel, and Crude Petroleum production in Net Tons (000 omitted) for the week ended April 10, 1943, and January 1 to Date (1943, 1942, 1937).

*Total barrels produced during the week converted into equivalent coal assuming 5,000,000 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). †April 1, "Eight-Hour Day," weighted as 0.5 of a normal working day.

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

Table showing Penn. anthracite and Commercial production in Net Tons for the week ended April 10, 1943, and Calendar Year to Date (1943, 1942, 1929).

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

ESTIMATED WEEKLY PRODUCTION OF COAL BY STATES

Table showing estimated weekly production of coal by states in thousands of net tons for the week ended April 4, 1943, and April 5, 1941, and April 3, 1937.

*Includes operations on the N. & W.; C. & O.; Virginian; K. & M.; B. C. & G.; and 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." ††Revised.

March Life Insurance Sales Increase

The sales of ordinary life insurance in the United States in March amounted to \$631,863,000, an increase of about 12% from the volume sold in the corresponding period of 1942, according to the monthly survey issued by the Life Insurance Sales Research Bureau, Hartford, Conn. The total sales volume for the first three months of 1943, however, aggregates \$1,626,553,000, which is about 27% below the amount sold in the same period of 1943.

The sales volume and the ratio for all sections are reported by the Bureau as follows:

Table comparing MARCH '43 Sales and Ratios with YEAR TO DATE Sales and Ratios for U. S. Total, New England, Middle Atlantic, E. N. Central, W. N. Central, S. Atlantic, E. S. Central, W. S. Central, Mountain, and Pacific regions.

Market Transactions In Govts. For March

During the month of March, 1943, market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net sales of \$72,927,750. Secretary Morgenthau announced on April 15. This compares with net sales of \$90,300,000 in February.

The following tabulation shows the Treasury's transactions in Government securities for the last two years:

Table showing Treasury transactions in Government securities for March, April, May, June, July, August, September, October, November, and December for 1941 and 1942.

Further Cuts In Newsprint Use Depends On Economies

Postponement of further curtailment of supplies of newsprint to newspapers depends in large measure on the economical use of present supplies by the industry, W. G. Chandler, Director of the Division of Printing and Publishing of the War Production Board, said on March 31.

Announcing the procedure to be followed in administering the Board's limitation order 240 during the second quarter of 1943, Mr. Chandler said any request for exception to the order must be supported by facts indicating that adherence would constitute an unreasonable hardship. Each such request, it was stated, would be considered on its own merits.

In Washington advices of March 31 to the New York "Times," it was stated:

In making such requests publishers should set forth in detail whether conservation measures have been carried out and the nature of the measures, this to be accompanied by a specimen copy of their newspapers. The following information is also required:

The amount of print paper used during the second quarter of 1941 in printing net paid circulation only, to which 3% may be added for production waste.

An estimate in specific number of tons of minimum requirements for second quarter of 1943.

Additional information sought is for the second quarter of 1941 and the first quarter of 1943 is as follows:

Gross tons or pounds of print paper used, whether in publishers' plant or used for supplements produced for the publishers by others, but not to include paper used in commercial printing, or in printing publications for others.

Net press run by months and the quarterly averages.

Net paid circulation by months (according to ABC standards) and the quarterly averages.

Percent of difference between net press run and net paid circulation for each quarter.

Average number of pages each month for morning, evening or Sundays issues separately (including all supplements).

Total number of lines or inches of paid advertising and percentage to total space.

Total number of lines or inches of unpaid content and percentage to total space.

The WPB's deferment of a second cut in newsprint was reported in our issue of March 25, page 1120.

From Washington

(Continued from first page)

principal complex which explains, at least to an extent, the conflicting utterances that come from him day after day, utterances that have just about caused the head of a family, of draft age, to go clean nuts.

The accepted rule of civilization that the unmarried youngster should go out and fight to protect the home, or the family unit, outrages the director who is not to be confused with the chocolate bar manufacturer, except that the director is associated with war and during a war the civilians have difficulty in getting chocolate bars. The director has felt strongly on this subject for a long time. There is simply no sense, he holds, in the rule that the young unmarried man who hopes to establish a family in the future, should be called upon to defend the family already established anymore than that the latter should be called upon to defend him. So, regardless of what may be the director's conscious purpose in frequently threatening and warning the family heads that they are headed for the armed forces, his sub-conscious purpose is to keep them squirming. He can no more resist this than the killer with the uncontrollable urge to kill.

Poor old Donald Nelson is in another stew. Just as a Federal grand jury in Pittsburgh got down to investigating charges that Carnegie Steel turned out steel that didn't come up to specifications, he calls upon war production industries not to try to be so precise and perfect. Speed is what is needed. This is exactly what Carnegie Steel had contended.

In the agitation of Washington some of Nelson's bright young men are believed to have slipped something over on him. When the question of making his statement was put up to him he did not relate it to the pending Carnegie case. But it was immediately tied up with it and the Leftists are saying Nelson was deliberately trying to help despicable and evil-doing industry.

Nobody goes to the assistance, they contend, of the eight workers in the Bethlehem shipbuilding yards, who have been arrested as saboteurs for doing inferior work, when it seems their only motive was speed and incentive payments. Incentive payments incidentally, are in violation of the zone agreements under which shipyard employees work. Labor leaders, particularly those of the AFL, have long opposed incentive payments and they have been charged with trying to hold down a man's output. The predicament of the Bethlehem workers is likely to check the agitation in Congress for these incentive payments.

A commentary on something or the other in these hectic times is the agitation by Harry Bridges against the armed services and management alike on the Pacific Coast. Army, Navy and management are grossly inefficient in loading vessels, he contends. Harry has been making these charges for a long time and has succeeded in getting CIO President, Phil Murray, to take them up. They have no relation, of course, to the fact that Harry has been ordered deported as a Communist. A few weeks ago, he and his associate, Joe Curran, boss of the Atlantic seaboard seamen, were behind the agitation to prevent Admiral Land's reappointment as head of the Maritime Commission. Joe's main grievance against the Admiral is that the latter won't remove the navy gun crews from merchant ships and let Joe's men man the guns. The Admiral, on the other hand, is seriously disturbed about the Communist element in Joe's organization, particularly the Communist strength among the radio operators.

Daily Average Crude Oil Production For Week Ended April 10, 1943 Up 31,250 Barrels

The American Petroleum Institute estimates that the daily average crude oil production for the week ended April 10, 1943 was 3,948,950 barrels, a gain of 31,250 barrels over the preceding week and 405,550 barrels per day higher than in the corresponding period last year. The current figure, however, was 237,150 barrels below the daily average figure recommended by the Petroleum Administration for War for the month of April, 1943. Daily output for the four weeks ended April 10, 1943 averaged 3,916,650 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 3,677,000 barrels of crude oil daily and produced 10,182,000 barrels of gasoline; 3,823,000 barrels of distillate fuel oil, and 7,681,000 barrels of residual fuel oil during the week ended April 10, 1943; and had in storage at the end of that week 93,212,000 barrels of gasoline; 30,906,000 barrels of distillate fuels and 67,185,000 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)

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

*P.W.A. 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 January, 1943, as follows: Oklahoma, 27,900; Kansas, 5,800; Texas, 101,100; Louisiana, 19,300; Arkansas, 2,500; Illinois, 10,300; Eastern (not including Illinois and Indiana), 12,600; Michigan, 100; Wyoming, 1,300; Montana, 400; New Mexico, 5,700; California, 42,500.

*Oklahoma, Kansas, Nebraska figures are for week ended 7 a.m. April 7. This is the net basic allowable as of April 1 calculated on a 30-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 15 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.

*Recommendation of Conservation Committee of California Oil Producers.

*March 1 allowable; April not available.

CRUDE RUNS TO STILL: PRODUCTION OF GASOLINE, STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED APRIL 10, 1943

(Figures in Thousands of barrels of 42 Gallons Each)

Table with columns: District, Capacity, Potential, Rate, Re-ports, Crude Runs to Stills, Daily Average, Production of Gasoline, Stocks of Gasoline, Stocks of Gas Oil, Stocks of Distillate Fuel, Stocks of Residual Fuel Oil. Rows include District, Combind: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana - Arkansas and Inland Texas, Appalachian, Ind., Ill., Ky., Okla., Kansas, Mo., Rocky Mountain, California, Tot. U. S. B. of M. basis April 10, 1943, Tot. U. S. B. of M. basis April 3, 1943, U. S. Bur. of Mines basis April 11, 1942.

*At the request of the Petroleum Administration for War. †Finished 82,960,000 barrels; unfinished, 10,252,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 3,823,000 barrels of gas oil and distillate fuel oil and 7,681,000 barrels of residual fuel oil produced in the week ended April 10, 1943, which compares with 3,903,000 barrels and 8,209,000 barrels, respectively, in the preceding week, and 3,267,000 barrels and 6,869,000 barrels, respectively, in the week ended April 11, 1942.

January Home Mortgage Recordings Lower

The Federal Home Loan Bank Administration announces that the downward trend in mortgage financing activity, noted early in 1942, continued in January of this year with a decrease of 14% from the previous month. Although largely seasonal in nature, the reduction of \$37,000,000 from December brought mortgage recordings to the lowest level for comparable months since the beginning of the series in 1939, and registered the least volume for any one month since February of that year. The 77,228 non-farm mortgages of \$20,000 or less recorded in January amounted to approximately \$228,000,000—less by \$93,000,000 or 29%, than in January, 1942. It is apparent that restrictions on privately-financed construction and, more re-

cently, regulations on the sale of tenant-occupied properties are continuing to exert restraining influences on mortgage lending.

The FHLB agency's announcement further stated:

"Only slight changes in the relative participation of the various types of lenders in the total mortgage market occurred from December. Savings and loan associations accounted for 28% of total January recordings; individuals were second with 22%; banks and trust companies accounted for 21%, other lenders 16%, insurance companies 9%, and mutual savings banks 4%. The greatest decreases in volume were shown for mutual savings banks and "others" with recordings of 76% and 81%, respectively, of their December volume. Currently, savings and loan associations, insurance companies, and banks and trust companies each recorded approximately 86% of December volume. Mortgage lending by individuals indicated relative stability with recordings for this class equal to more than 93% of their total for December."

Table showing mortgage recordings by lender type for January 1943 and January 1942. Columns: Type of Lender, January 1943 Volume, % of Total, % Chg. from Dec., January 1942 Volume, % of Total, % Chg. from Jan. '42, January 1941 Volume, % of Total, % Chg. from Jan. '41. Rows include S. & L. Assns., Ins. Cos., Bks. & Tr. Cos., Mut. Svs. Bks., Individuals, Others, Total.

Selected Income And Balance Sheet Items Class I Railways For January

The Bureau of Statistics of the Interstate Commerce Commission has issued a statement showing the aggregate totals of selected income and balance sheet items for class I steam railways in the United States for the month of January 1943 and 1942, and the 12 months ending with December, 1942 and 1941.

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

Table showing income and balance sheet items for Class I Railways for January 1943, 1942, and 12 months ending Dec 1942 and Dec 1941. Columns: Income Items, For the Month of January, For the 12 Months of. Rows include Net Operat. Income, Other Income, Total Income, Miscellaneous Deductions, Income Available for Fixed Charges, Fixed Charges, Rent for Leased Roads and Equipment, Interest Deductions, Other Deductions, Total Fixed Charges, Inc. after fixed charges, Contingent Charges, Net Income, Depreciation, Amortization of Defense Projects, Federal Income Taxes, Dividend Appropriations, On Common Stock, On Preferred Stock, Ratio of Income to Fixed Charges.

Selected Asset Items— Class I Railways Not in Receivership or Trusteeship

Table showing selected asset items for Class I Railways Not in Receivership or Trusteeship for January 1943 and 1942. Columns: Selected Asset Items, Balance at End of January, Balance at End of January. Rows include Investments in stocks, bonds, etc., other than those of affiliated companies, Cash, Temporary cash investments, Special deposits, Loans and bills receivable, Traffic and car-service balances (Dr.), Net balance receivable from agents and conductors, Miscellaneous accounts receivable, Materials and supplies, Interest and dividends receivable, Rents receivable, Other current assets.

Selected Liability Items—

Table showing selected liability items for Class I Railways Not in Receivership or Trusteeship for January 1943 and 1942. Columns: Selected Liability Items, Balance at End of January, Balance at End of January. Rows include Loans and bills payable, Traffic and car-service balances (Cr.), Audited accounts and wages payable, Miscellaneous accounts payable, Interest matured unpaid, Dividends matured unpaid, Unmatured interest accrued, Unmatured dividends declared, Unmatured rents accrued, Accrued tax liability, Other current liabilities.

Table showing analysis of accrued tax liability for Class I Railways Not in Receivership or Trusteeship for January 1943 and 1942. Columns: U. S. Government taxes, Other than U. S. Government taxes, Balance at End of January, Balance at End of January.

*Represents accruals, including the amount in default. †For railways not in receivership or trusteeship the net income was as follows: January, 1943, \$48,182,957; January, 1942, \$22,619,236; for the twelve months ended December, 1942, \$785,367,066; twelve months ended December, 1941, \$482,466,746. ‡Includes payments of principal of long-term debt (other than long-term debt in default) which will become due within six months after close of month of report. †For railways in receivership and trusteeship the ratio was as follows: January, 1943, 2.20; January, 1942, 1.17; twelve months, 1942, 2.18; twelve months, 1941, 1.18. †Includes obligations which mature not more than two years after date of issue.

Items About Banks, Trust Companies

Under the direction of the New York Chapter of the American Institute of Banking, a symposium on "Current World Problems" has been arranged for the evening of April 28, at 7:45 p.m., to be held at the Chapter headquarters, Woolworth Building, 233 Broadway, New York City. The speakers will be:

Mrs. Linda Littlejohn, Australian interpreter of world affairs.

Miss Lee Ya-Ching, Chinese aviatrix.

Mrs. Gwen Priestwood, English journalist, recently escaped from a Japanese prison.

Mrs. Mildah Polia, of the "Free French," who will be interviewed on her experiences in France after the occupation.

Louis H. Pink, President of the Associated Hospital Service of New York, has been elected a Director of the Railroad Federal Savings and Loan Association of New York, it was announced on April 19 by George L. Bliss, President of the Association. Mr. Pink, who served as New York State Superintendent of Insurance from 1935 to 1943, was a member of the State Housing Board from 1926 to 1934, a member of the New York Municipal Housing Authority in 1934 and 1935, and was Chairman of the New York State Board of Housing from 1937 to 1939. He is a Trustee of St. Lawrence University and of Brooklyn Law School, Treasurer of the New York Child Labor Committee, and Chairman of the Board of the National Public Housing Conference.

Henry A. Fox, formerly Vice-President of Universal Credit Corp. of Detroit, has been elected a Vice-President of the Continental Bank & Trust Co. of New York, it was announced on April 19 by Frederick E. Hasler, Chairman and President. Mr. Fox, who is in charge of the correspondent banks division of the Continental, began his duties this week. He had been in charge of banking operations for Universal Credit Corp.—one-time subsidiary of Ford Motor Co. and now owned by Commercial Investment Trust Corp.—for the last 14 years, having entered the employ of the Company as Assistant Treasurer in 1929. Before that he was with the Industrial Acceptance Corp. as Assistant Treasurer in charge of commercial paper sales and traveled throughout the country contacting the company's various sales representatives.

George F. Trefcer, Assistant Vice-President of the Bankers Trust Co., New York City, has completed 50 years' service with that institution. Mr. Trefcer is connected with the Bond Department of the Bankers Trust Co.

John A. Burns, a Vice-President in the Trust Department of the Chase National Bank of New York, died on April 15 at St. Luke's Hospital, New York, after an illness of several months. Mr. Burns, who was well known in New York fiduciary and banking circles, was 53 years of age. He resided in New Rochelle.

Educated in Cold Spring, N. Y., where he was born Aug. 16, 1889, Mr. Burns came to New York in 1906 and obtained his first position as a messenger with the Knickerbocker Trust Co., remaining with that bank and its successor, the Columbia Trust Co., until 1917. Mr. Burns joined the Mercantile Trust Co. as Assistant Secretary upon its organization in 1917, and in December, 1918, was appointed Trust Officer. He continued in this capacity after the merger of the Mercantile Trust Co. with the Seaboard National Bank in April, 1922. In January, 1925, he was appointed a Vice-President, an office he held continuously through the mergers of the Seaboard with the Equit-

able Trust Co. in September, 1929, and the consolidation of the Equitable with the Chase National Bank in June, 1930.

In recent years Mr. Burns served two terms as President of the Corporate Fiduciaries Association of New York, and during the past year was President of the Trust Division of the New York State Bankers Association. He was one of the founders of the Tax Payers League of New Rochelle, where he was interested in civic affairs and civilian defense activities. Mr. Burns was a director in many corporations, among them the York Safe & Lock Co. of York, Pa., and the Maryland Bolt & Nut Co. of Baltimore.

The South Shore Trust Co., Rockville Centre, Long Island, N. Y., is again ready to finance war bond purchases for as much as one year, according to an announcement by George W. Loft, President of the institution. This plan in Government bond financing is part of the company's all-out effort to put over the new \$13,000,000,000 Second War Loan. It is similar to the plan incorporated by the South Shore Trust Co. last December on the First War Loan drive. Under the plan, the company arranges the subscription for the 2% or 2½% War Loan Bonds and, if necessary, will advance the required purchase funds, which are repayable over a period of up to one year at a cost to the subscriber of 2% per annum on declining balances.

Melvin H. Baker, President of the National Gypsum Co., has been elected a Director of the Manufacturers & Traders Trust Co., Buffalo, N. Y. Mr. Baker is one of the founders of the National Gypsum Co. and has been President of the firm since 1928.

The Board of Directors of the Casco Bank & Trust Company of Portland, Maine, announces the election of Leonard F. Timberlake as President.

J. C. Klingensmith, associated with investment and banking interests in Pittsburgh for many years, has been elected Executive Vice President of the National Chautauqua County Bank of Jamestown, N. Y.

The following was reported in a recent issue of the Pittsburgh "Post-Gazette":

"He was Pittsburgh manager of Harris, Forbes & Co. for a number of years and later became associated with the Peoples-Pittsburgh Trust Co. He left there to become an officer in Pennsylvania Industries, Inc., and Pennsylvania Bankshares and Securities Corp. During that period he was an officer or director of Arsenal Bank, Neville Coke & Chemical Co., Peoples National Bank, Tarentum; Bridgeville Trust Company, Bridgeville; First National Bank, Oakdale; First National Bank, Etna; National Bank of Smyrna, Smyrna, Del., and Kentucky Natural Gas Co., Owensboro, Ky."

The State Bank of Defiance Co., Defiance, Ohio, has been admitted to membership in the Federal Reserve System, it was announced on April 8 by M. J. Fleming, President of the Cleveland Federal Reserve Bank. Incorporated in 1902, the bank has a paid-in capital of \$50,000 and total deposits of approximately \$5,500,000. L. O. Tustison is President of the institution.

The Fahey Banking Co., Marion, Ohio, has been admitted to membership in the Federal Reserve System, it is announced by M. J. Fleming, President of the Federal Reserve Bank of Cleveland. This bank is the fifth Ohio State bank to be admitted to

membership this year. The bank was established in 1865 as a private bank but was incorporated in 1893. The bank has a capital of \$200,000 and total deposits approximate \$3,500,000. M. C. O'Brien is President of the institution.

NY Savings Banks War Bond Sales Mount Deposits Also Rise

The opening of the Second War Loan Drive on April 12 marked a signal day for New York State's 132 savings banks, for on that date purchases of War Bonds by the public through their offices passed the \$500,000,000 mark, according to preliminary figures and estimates prepared by the Savings Banks Association. At the same time the gain in savings deposits for March was the largest for that month in over 10 years. A large proportion of the War Bond sales since May 1, 1941 is represented by Series E bonds, of which it is reported that the savings banks have sold over 30% of the State total.

The Association's announcement further said:

"Despite this huge sale of War Bonds to depositors and through payroll savings plans, and despite the impact of income taxes last month, the savings banks report a continued increase in deposits for the tenth straight month. March figures reveal a gain in dollars of \$30,960,000, making the gain for the first quarter \$93,015,000.

"The gain for the six months ending March 31 was \$213,684,496 and for the year \$270,751,011. This steady and heavy gain in deposits is enabling the savings banks to add substantially to their holdings of Government bonds and so help to soundly finance the war effort. Since July, 1941, the savings banks have bought an additional \$644,000,000 of U. S. Treasury Bonds and their subscriptions during the first two days of the Second War Loan Drive exceeded \$400,000,000.

"Significant too, of the trend toward increased savings is the gain in new accounts. 81,844 new savings accounts were opened in the month of March. This resulted in a net gain of 17,583 accounts for March and 51,138 for the quarter. The number of open accounts as of March 31 was 6,053,142, compared with 5,975,507 a year ago. Deposits stood at \$5,663,106,185, against \$5,392,355,174 on March 31, 1942."

Wood Is Deputy Supt. Of N. Y. Banking Dept.

Elliott V. Bell, New York State Superintendent of Banks, announced on April 14 the appointment of John Frank Wood formerly Trust Officer of the Chemical Bank & Trust Co., New York City, as Deputy Superintendent and Counsel of the Banking Department. The position has been vacant since last Oct. 30, when Jackson S. Hutto, then Deputy Superintendent and Counsel, was appointed Superintendent. Mr. Wood was graduated from Harvard College with an A. B. degree, summa cum laude, in 1930. He is a member of Phi Beta Kappa Society. He was a traveling fellow of Harvard College in Continental Europe in 1930-31, and in 1934 he was graduated from Harvard Law School. From 1934 to 1937 Mr. Wood was associated with Barry, Wainwright, Thacher & Symmers, of 72 Wall Street.

Since 1937 Mr. Wood has been in the employ of Chemical Bank & Trust Company, first as attorney and later as trust officer in charge of the legal division of the bank's personal trust department.

NY State Eases Bank Reserve Requirements On War Loan Deposits

Elliott V. Bell, New York State Superintendent of Banks, on April 13 informed banking institutions of the State, which are qualified war-loan depositories, that they "need not maintain reserves against deposits payable to the United States arising solely as a result of subscriptions made by or through such banking organizations for U. S. Government securities issued under the authority of the Second Liberty Bond Act, as amended."

This action was in accordance with a bill signed by Governor Dewey on April 2 authorizing the State Banking Board to exempt from reserve requirements war-loan deposits. A similar bill exempting from reserve requirements war-loan deposits of member banks of the Federal Reserve System was signed by President Roosevelt on April 13.

In his letter of April 13 to the banking institutions, Superintendent Bell says:

"In anticipation of these two items of legislation, the Banking Board, at its meeting on March 18, last, adopted a resolution providing that on and after the effective date of the pending legislation no banking organization not a member of the Federal Reserve System should be required to maintain reserves against war-loan deposits which are not required of Federal Reserve member banks."

ABA Membership Now Highest In History

The percentage of banks holding membership in the American Bankers Association on March 31 was the highest in the history of the Association, it was reported by George W. Heiser, Chairman of the ABA Membership Committee, to the Executive Council of the Association at its recent meeting in New York. Mr. Heiser reported that 87.74% of the country's banks were members of the ABA on that date. According to the announcement, on March 31, 1943, there were 14,368 members as compared with 14,313 on the same date of the previous year. These member institutions represent approximately 97% of the banking resources of the country. Seven States and the District of Columbia have 100% membership. The States are Arizona, Idaho, Nevada, New Mexico, Oregon, Utah, and Washington. It is added that a total of 316 new members has been added to the roster since Sept. 1, 1942.

Mr. Heiser paid tribute to the membership men working in the field. He stated that most of the 316 new members were added after gasoline rationing went into effect and during a period when all bankers have been unusually busy, both in their banks and in civilian war efforts outside of the banks. "Despite the curtailment of time available," he said, "approximately 100 men, who comprise the membership organization, gave up their leisure and in many cases devoted their weekends in order to maintain and increase the membership."

Clark And Cox Confirmed In Justice Dept. Posts

President Roosevelt's nominations of Tom C. Clark of Texas and Hugh B. Cox of the District of Columbia to be Assistant Attorney Generals were confirmed by the Senate on March 25. Mr. Clark was named to succeed Thurman Arnold as head of the Anti-Trust Division of the Department of Justice, and Mr. Cox was appointed as head of the new War Frauds Division of the Jus-

Justice Department. The President sent these two nominations to the Senate on March 16.

Mr. Clark became associated with the Justice Department in 1937 in its War Risk Litigation Bureau, but since 1938 has been connected with the Anti-Trust Division. Mr. Cox has also been a member of the Anti-Trust Division staff, joining after several years' practice with a private New York law firm.

Mr. Arnold was recently made a Judge of the U. S. District Court of Appeals for the District of Columbia; referred to in our issue of Feb. 25, page 763.

GENERAL CONTENTS

(Continued from first page)

Items About Banks and Trust Cos.	1512
Trading on New York Exchanges	1507
NYSE Odd-Lot Trading	1505
NYSE Bond Values at March 31	1506

State of Trade

General Review	1493
Commodity Prices, Domestic Index	1503
Weekly Carloadings	1505
Weekly Engineering Construction	1507
Paperboard Industry Statistics	1510
Weekly Lumber Movement	1504
Fertilizer Association Price Index	1508
Weekly Coal and Coke Output	1510
Weekly Steel Review	1503
Moody's Daily Commodity Index	1504
Weekly Crude Oil Production	1511
Non-Ferrous Metals Market	1507
Weekly Electric Output	1504
Fairchild's March Retail Price Index	1504
General Crop Report on April 1	1506
Commercial Paper Outstanding at March 31	1508
January Gross and Net Railroad Earnings	1508
Selected Income and Balance Sheet Items for Class I Roads (Jan.)	1511
Bank Debts for March	1510
March Cottonseed Receipts	1510
March Life Insurance Sales Down	1510
January Home Mtge. Activity	1510
American Zinc Industry Summary	*
Copper Institute Summary	*
Pig Iron Production	*
Daily and Weekly Copper, Lead and Zinc Sales	*
*These statistics omitted from "Chronicle" at direction of the War Censorship Board. (See notice on first page of Section 2 in August 27, 1942, "Chronicle.")	

Miscellaneous

Jesse Jones Expresses Concern for Small Business	1503
New Turko-German Trade Pact Reported	1503
Republicans Prepared for 1944: Landon	1499
Ickes Favors Crude Oil Price Rise	1499
Country Bank Interest Rates Seen Normal	1499
Says New Deal Stifles Press	1500
Hasler Calls for Trade Agreements Renewal	1500
Republicans Revive Money Powers Study	1500
Morgenthau Accedes to Termination of Dollar Devaluation Authority	1497
Clare Luce Urges Increased Taxes on Wealthy	1497
WMC Restricts Transfer of Essential Industry Workers	1497
FIC Banks Sell Debentures	1493
United Nations Conference to Discuss Post-War Problems	1502
Warns of Medical Regimentation Threat	1502
FHA Insurance Authorization Authority Extended	1502
Study Tax, Forced Savings	1502
Nominated Head of New York AIB Group	1502
Pay on Rio Grande 8s.	1502
42 Nations to Confer on Post-War Food Needs	1504
Bittner Named to WLB	1504
Opposes Supervisors Union Bill	1505
Senate Committee Rejects Bill Ending Silver Purchases	1506
Sloan Heads Industrial Information Body	1507
Third Cotton Forum in Memphis	1508
FDR Asks \$24½ Billion for Navy	1508
Says Social Security Encourages Dependency	1509
Approves Loan for Art Gallery	1509
March Transactions in Government Issues	1510
Further Newspaper Cuts Subject to Economics	1510
N. Y. Savings Banks Increase Bond Sales	1512
Named N. Y. Deputy Banking Head	1512
N. Y. State Eases Reserve Requirements	1512
ABA Membership at Record High	1512
Clark and Cox Appointments Confirmed	1512
WLB to Study Wage Inequities	1512